Saturday Night

Canada's Magazine of Business and Contemporary Affairs

OCTOBER 26TH, 1957 20 CENTS

Businessmen Study Industry's Impact On The Community

BY LOGAN MacLEAN

What Doctors Can Do For The Alcoholic

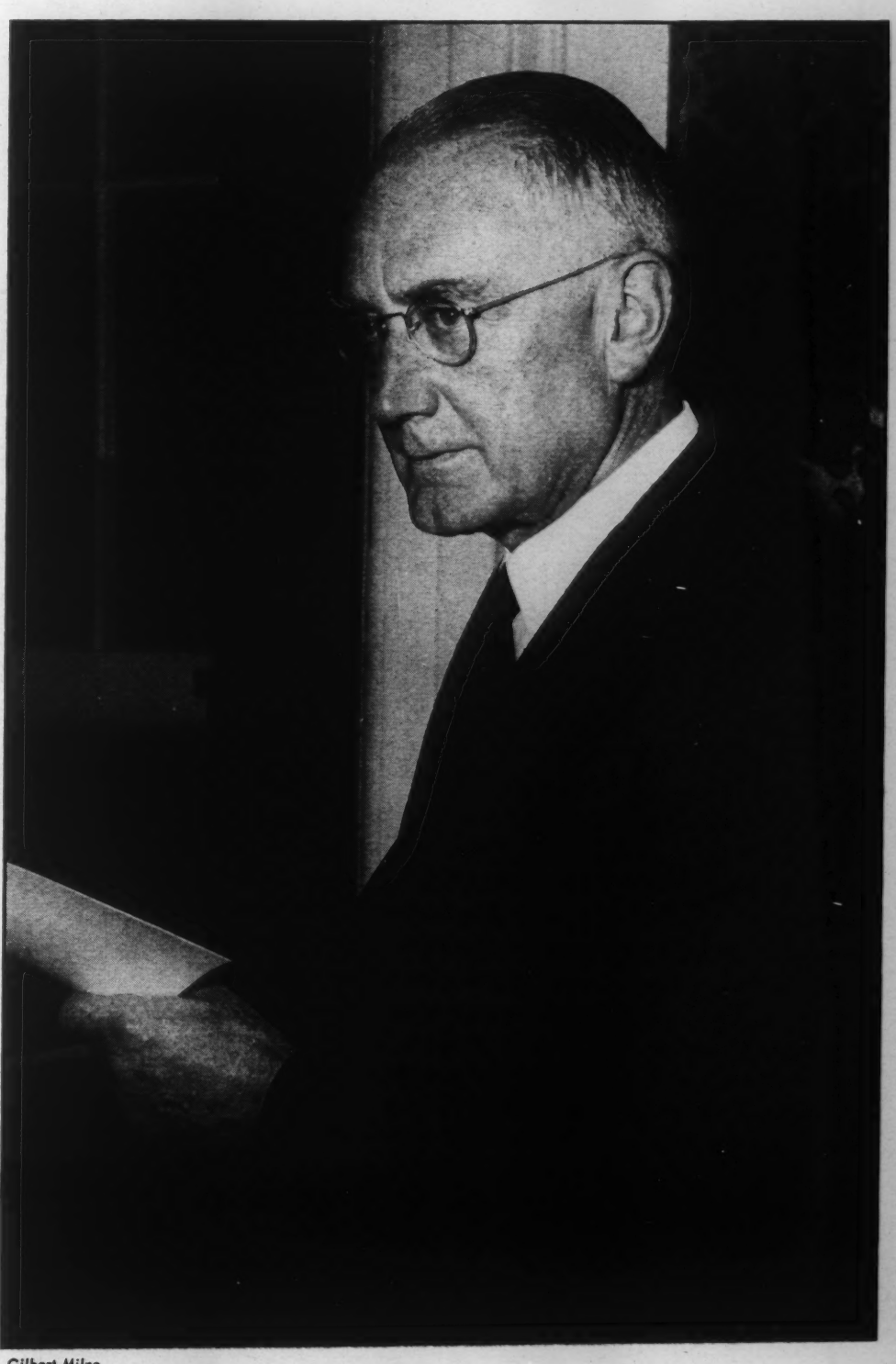
BY HUGH GARNER

Will You Make The Social Register?

BY NORTON CALDER

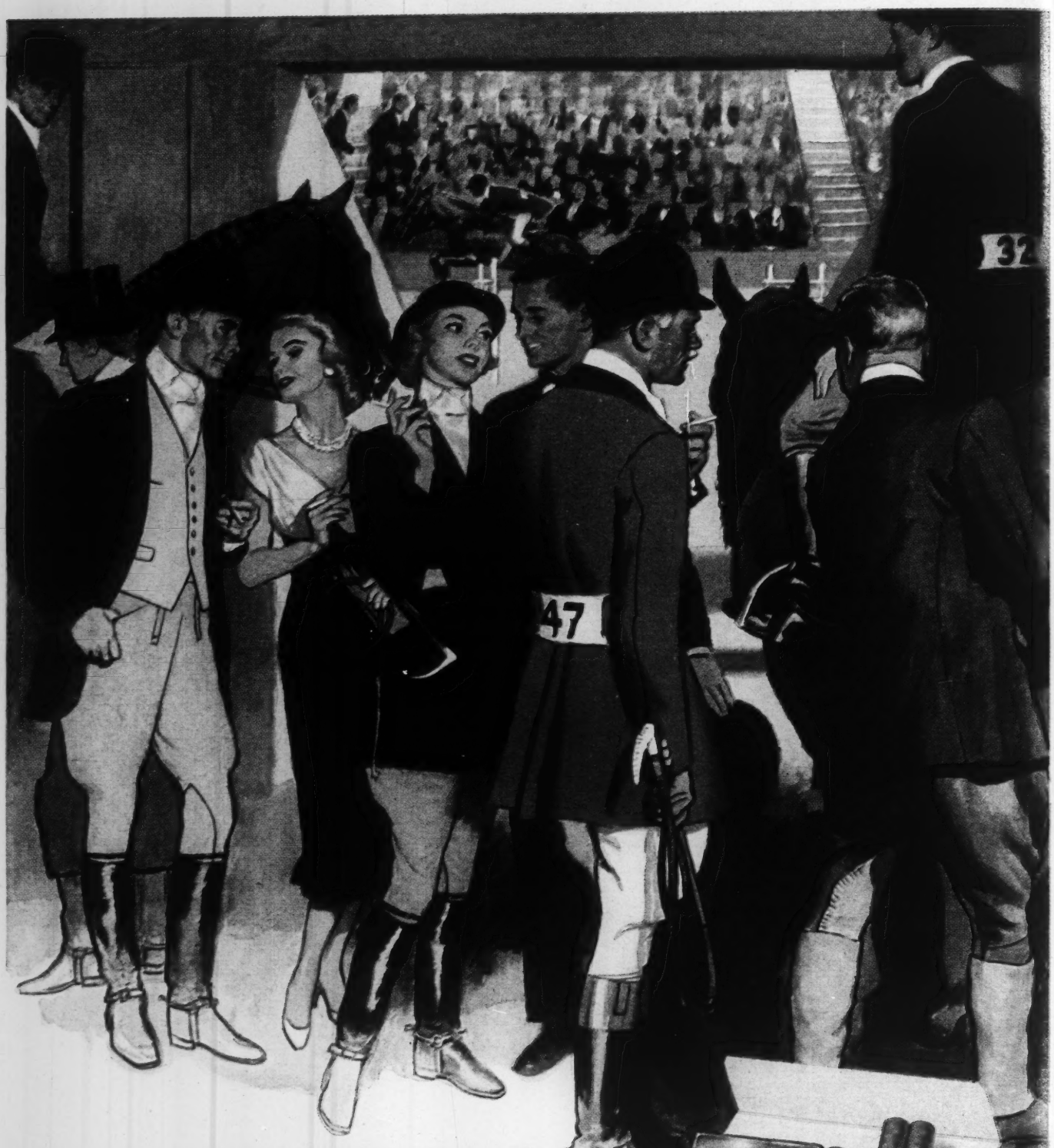
How To Borrow Money For Your Business

BY R. M. BAIDEN



Gilbert Milne

Sir Geoffrey Vickers: "Man & Industry": Page 8



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Saturday Night

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Features:

Industry's Impact on the Community
by Logan MacLean, 8

What Doctors Can Do for Alcoholics
by Hugh Garner, 10

Social Register: Pedigrees or Profits?
by Norton Calder, 12

Canada, Britain and the Common Market
by Maxwell Cohen, 14

Departments:

Letters, 2

Ottawa Letter, 4

Travel, 16

Books, 25

Gold & Dross, 30

Insurance, 37

Editorials, 44

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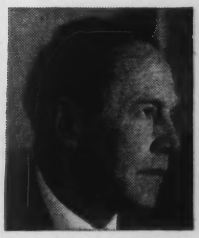
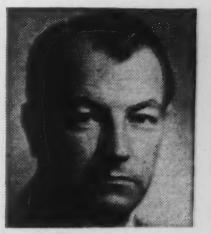


Beverley Nichols

The greatest moral debate in centuries has swept England following publication of the Wolfenden Report which dealt with prostitution and homosexuality. *The Sunday Express* coined the elegant phrase "The Pansy's Charter" and the Archbishop of Canterbury entered the debate in support of the new legislative proposals. Beverley Nichols, SATURDAY NIGHT'S London correspondent tells of the furor, on Page 19.



Hugh Garner

Six out of every 100 persons gainfully employed in Canada are alcoholics and on the average they are absent from work 18.7 work days per year. Alcoholism is now recognized not only as a national problem but as a disease. Hugh Garner, well-known Canadian writer reports on what the doctors can do for the alcoholic in a carefully documented, clinical report, on Page 10.

Stuart Keate

When the snow flies Canadians do too. This year an estimated 10,000 of them will take off for Hawaii to enjoy the sun, sand and surf and return to the Canadian winter with glowing sunburns. The reason: Hawaii is a spot which really lives up to its advance publicity. Stuart Keate, Publisher of *The Victoria Times*, has visited the islands and he gives some timely advice to prospective travellers on how to go and what to do, on Page 16.

"Just wait'll you get a look at this" said the High Domed Forehead as he carefully lowered a shoe-box sized parcel on to the table. "My New Brand".

The connoisseur nodded politely. "You know, Gilbey's Golde . . ."

"Observe the plush lined box with the jewelled clasp" interrupted the High Domed Forehead. "They sure know how to package things these days. And observe this—a leopard skin bag with a mother-of-pearl zipper. Just what I always wanted. I'll find a use for that some day".

The bag joined the brown paper and the plush lined box.

The connoisseur looked perturbed. "Yes, but Gilbey's Golden Vel . . ." "And inside the bag we find the bottle," added the High Domed Forehead. "Or almost. Just wait until I get rid of this gold dingbat closure and I can get at the cork. Blast! Cut my thumb on the frill there".

When the drinks were poured, and sipped and gazed upon there was a moment of quiet.

"I know what's on your mind . . . and I agree with you", said the High Domed Forehead at last. "You're thinking they don't *need* to doll up your Golden Velvet. Just the one little label — you know you're getting real whisky".

Letters

Beep, Beep!

The launching of the Soviet moon satellite gives added point to your recent editorial "Lesson of the Rocket".

The Western nations, having been caught with their satellites down, must surely realize by this time the folly of rejecting the Soviet's educational approach along with its ideology. We are already behind in the race but it isn't too late to discard our present system of reserving the universities as a finishing school for the well-heeled. The time has come to equip and enlarge them as a training-ground for scientific talent. That ominous "Beep, beep" should be taken as a warning.

KINGSTON — MALCOLM MCLARTY

Press Rehearsal?

Why not follow up your article "Trial by Newspaper" with another on Epidemics by the Press?

Before and during the epidemic of Asiatic Flu the press provided, weeks in advance, detailed reports and predictions on the routes and progress of the epidemic. You don't have to be a Christian Scientist, or even an epidemiologist, to recognize that with this sort of publicity fifty per cent of the people are likely to go half-way to meet the event. As far as possible the press made sure that anyone who didn't contract the affliction by infection had a good chance of coming down with it by suggestion.

VANCOUVER — WILLIAM MCNAB

Pedestrians

Three cheers for your letter from your Vancouver subscriber. I am sending copies to the Prime Minister of Ontario, the Minister of Highways, the Mayor of Toronto and the Chief of Police. The responsibility for the present slaughter rests squarely on our legislative authorities; proper protection of pedestrian crosswalks would be an important first step to safety. Aroused public opinion could bring action.

TORONTO — JOHN LANGRIDGE

World Cop

That was a most striking picture of Canada's General "Tommy" Burns in your last issue. He certainly looks like a world policeman; I hope he can scare international wrong-doers as much as he scared soldiers in the Canadian Army. But he has done a good job in UNEF and we should be proud of it both as a Canadian idea and a Canadian command, ably executed.

OTTAWA — TURVEY JONES

Putt and Take

I have just read your "Putt and Take" editorial, about Eisenhower's golf and the color problem in the south. Let's stop talking about Communist moral victories. We should know by this time the Russian Dictatorship has respect for only one thing: force. The flabby and fearful outfit at Washington that sat on its tail while Hungary went down isn't going to face or deal with facts. If it had what it takes, there would be no worry about war or moral victories. The Russians are not crazy.

Your complete ignorance of the situation in the south hardly qualifies you to criticize Governor Faubus or use the term white trash. The Democrats bought themselves into power for twenty years by selling out to the labor unions. Now the Republicans are going to get some colored votes for the next election with their school integration and "civil rights." Civil rights means votes; 7 to 2 in favor of the colored. Like to live down there when eight states have black governments?

Your sympathy for the colored population in the south does credit to your heart; less to your mind. I suggest you spend a few weeks in Birmingham, and then a week or two with the blacks in Chicago. It will give you a better idea of where your sympathy is due and what the problem is.

VANCOUVER — W. A. JACKLIN

Your September 28th editorial "Putt and Take" was stupid. . .

Such inept and myopic editorializing puts you in the same class as the Little Rock rioters, and but for the grace of distance I can see you there.

WINNIPEG — B. J. MCLEOD

Stir Before Taking

Your editorial ("Pap to Pills") inquires: "In how many homes are women cooking with love instead of efficiency?"

There may be a little encouragement for your editorial writer in a statement made recently by the promoters of one of the new ready-mixes. He admitted that the egg called for in his recipe wasn't

actually necessary. It was really added to give the housewife a sense of creativity (or love) when she was shaking up a cake.

Eventually, no doubt the manufacturer will be able to supply a small package of ready-mixed emotion to take the place of that supernumerary egg.

MONTREAL RONALD RUSS

The Last Word

I enjoy watching Bergen Evans on Television and reading the amusing "Quizzes" which he contributes to SATURDAY NIGHT. I understand that he has written a dictionary of some sort as well. Can you tell me anything about it?

HAMILTON ROSALIE ELMORE

Editor's note: For a review of versatile Professor Evans' forthright ideas on language, see Page 25.

Air Show Deaths

With reference to James Hornick's article "Too Many Air Show Deaths", it would appear that he is talking about three distinct subjects. Accidents to aircraft performing within their prescribed limits, accidents to the general public watching the air shows, and accidents to the aircraft stressed beyond their operational limits.

There is, of course, no excuse in peacetime for the last mentioned. But so long as such things as aerobatics, formation flying and high speed low flying are deemed necessary as part of the rigorous training program received by pilots, it would seem to matter little, from an accident standpoint, whether these two manoeuvres are conducted in private, at training stations, or in public, at air shows.

WINNIPEG S. G. ADE

The entire flying team of the RCAF Air Division was wiped out last year near Strasbourg, France while engaged in practice manoeuvres.

The human mind and body have reached their limit of tolerance with regard to reaction time and G respectively.

Mechanical and electronic gadgets are required for safety, and the requirements of engineering and financial economics should lead to complete missile acceptance, eventually, here in Canada.

OTTAWA K. WALKER

It is no secret that the armed forces need recruits. There is no incentive for potential jet pilots in a study of the air show toll. We want the best men to fly our jets because it is necessary; let's not demand that they provide entertainment as well. The price is much too high.

WINNIPEG MARY ELIZABETH BAYER

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Ottawa Letter

by John A. Stevenson

Victory at Mt. Tremblant

THE NEW EQUILIBRIUM in the strength of the two senior parties in the House of Commons and the precarious position of the Diefenbaker Ministry always promised a very lively opening session at Ottawa. An inquisition into the conferences at Mt. Tremblant and Ottawa and their implications raised the divisive issue of the whole trade policy of Canada, quiescent for a good many years.

A great deal of misinformation about the background of the conferences had been circulated and it deserves correction. When Mr. Diefenbaker, during the conference of Prime Ministers of the Commonwealth in London last June, was moved to advocate a special conference about the internal trade relations of the Commonwealth and proclaim his aspiration to divert to Britain 15 per cent of the imports which she is now securing from the United States, the second proposal was welcomed, but the first evoked only a cool response from the Macmillan Ministry.

The British government was dubious about the value of a conference on trade because it knew that most of the Dominions were wedded to a policy of protecting their domestic industries and that Australia and New Zealand, having found that little enlargement of their sales of surplus farm products to Britain was possible, were trying to make trade deals with Japan and other countries at the expense of their preferences to British goods. British Ministers felt that there was more hope of an expansion of export trade in a partial adhesion to the projected European Common Market and Free Trade area and were deep in complicated negotiations about it.

This policy was assailed by the more rabid imperialists in their party and by the *Daily Express* and other Tory papers as a dangerous adventure which was bound ultimately to weaken Britain's ties with the rest of the Commonwealth. The government denied this charge but they were also aware that they could not afford to provoke the wrath of the Tory malcontents by brushing aside Mr. Diefenbaker's proposals. They concluded that the commitments of both Canada and Britain as signatories of the GATT created great difficulties about limited readjustments of their tariffs but were not an obstacle to a free trade union. So they decided to raise Mr. Diefenbaker's ante and some weeks before the conference served notice of their intention upon certain Canadian Ministers. Forecasts of it also leaked out in British, American and Canadian papers.

The pretence of Mr. Fleming at Mt. Tremblant that he was surprised by the disclosure of the British plan naturally irritated Mr. Thorneycroft and at the farewell press conference in Ottawa he explained that when he had been asked at

Finance Minister Fleming: Surprised?

Mt. Tremblant about the accuracy of the forecasts in the press he had no alternative but to admit it. Despite this fly in the ointment, the proceedings of the conference at Mt. Tremblant seem to have been harmonious.

The hospitalities to the visiting delegates were on a generous scale and it is said that Mr. Diefenbaker, who is a teetotaller and knows there is a "temperance" vote was not amused when he read how a delegate from Ghana had advertised their lavishness by revealing that he had that morning found in his room as a farewell gift the third bottle of whisky supplied by his kindly hosts.

Mr. Thorneycroft's disclosure of his plan for free trade got our Government into very hot water. The Prime Minister's earlier ardent professions of zeal for cementing economic and other relations between Canada and Britain and the rest of the Commonwealth have caused French-Canadian papers like *La Presse* and *Le Devoir* of Montreal to scent a revival of "the detestable imperialism" and to write growling editorials about it. Their protests were ominous for the Government's chances of making head-way in Quebec but much more frightening to it was the spate of condemnations of the free-trade plan which flowed into the Toronto *Globe and Mail* from leaders of industry and business in answer to a questionnaire which it had addressed to them. Indeed its volume and vigor so shocked the newspaper that it cancelled the blessing which it had given earlier to Mr. Thorneycroft and denounced him as a blundering mischief maker.

The benefits which will accrue to British exporters from the two reviews which will be carried out will at the best be a drop in the bucket of international trade as the scope for diversions is not wide. In 1956 Canada purchased from the United States about 40 million dollars worth of war materials but actually sold to her neighbor 42 million dollars worth and any curtailment of such purchases in the United States would promptly be countered by a reduction of American buying.

It was the British Ministers who had the best grounds for satisfaction with the results of the conferences. They had emerged as much more ardent would-be liberators of the channels of Anglo-Canadian trade than Mr. Diefenbaker ever intended to be and they had effectively silenced such British critics as had accused them of culpable apathy towards the Commonwealth. Our Ministers are now under suspicion by most of our industrialists for being disposed to sanction a ruinous invasion of the domestic market by imports from Britain and they are busy giving assurances that no Canadian industry will ever suffer from their trade policies.

They have landed themselves in their present troubles through failure to do their homework and unwillingness to listen to the advice of their trade experts. And in Parliament they will have to face an arraignment by the Opposition for trying to revive the idea of the late Lord Bennett that Canada could prosper and afford to court reprisals by the United States, which would do immense damage to her most profitable export trade.

The high command of the Liberal party has been busy mapping out preliminary plans for a national convention which will elect a successor to Mr. St. Laurent and revise its program. Among the Liberal prognosticators of their party's future there are two sharply divergent schools of thought — gloomy pessimists and cheerful optimists. The pessimists forebode that an early appeal by the Dief-

enbaker Ministry for the mandate of a clear majority cannot fail to be successful and that once the Progressive-Conservatives are installed firmly in power, a long sojourn in the cold shades of Opposition lies ahead for the Liberal party.

But the optimists are confident that the Government will soon be making heavy weather in a sea of troubles. They feel sure that the rapturous embrace of Mr. Diefenbaker by the British Tory Imperialists has ruined his chances of gaining any seats in Quebec; that even a switch of 15 per cent in our imports from the United States to Britain will cause such a dislocation of the plans of Canadian industry and business that will earn much ill will for the Government in Ontario; that a number of scrawny chickens in the form of pledges which it is impossible to fulfill will come home to roost and that these discontents piled on the consequences of even a mild depression such as heavy unemployment and lowered wages, will regain popular favor for the Liberals as the only safe guardians of stable prosperity.

At the moment the Liberal party suffers from general weakness in the provincial arena. A Canadian federal party can only enjoy vigorous health, when it has good nourishment from string provincial organizations. But today the Liberal party controls the governments of only three of the smaller provinces, Manitoba, Newfoundland and Prince Edward Island, containing between them less than a tenth of our total population. Its hold upon Manitoba is very shaky and may not survive the coming provincial election. Unfortunately, only in one province, Alberta, has it a competent provincial leader in Harper Prowse who improved its position materially in the last provincial election. But in Nova Scotia ex-Premier Hicks will find it hard to win forgiveness from the Roman Catholic Liberals for ejecting their co-religionist, now Senator Connolly, from the Premiership. In New Brunswick Austin Taylor, now also a Senator, has made no progress with the rehabilitation of his party. In Quebec four recent Liberal reverses in by-elections have completed the discredit into which Mr. Lapalme, the party's provincial leader, had been falling.

In Ontario there are recurring agitations for the substitution of a younger and abler leader for Mr. Farquhar Oliver. Then, in Saskatchewan A. H. Macdonald, the provincial Liberal leader, is no match for Premier Douglas, and in British Columbia the unfortunate Arthur Laing is still searching in vain for a seat in the provincial legislature, where, even if he secured it, he would have not a solitary follower. So one of the paramount problems before the Liberal party is to secure a new set of provincial leaders who will rebuild its strength in their spheres of operations.

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Saturday Night

Sam Ciglen's fantastic plan to sell his oil stocks nearly stymied the U.S. Securities Exchange Commission.

Sam "Sweet Grass" Ciglen: All-American Headache

by James Fielden

SAM Ciglen is a Toronto lawyer. He has also, from time to time, been in the business of marketing stocks. Sam is a promoter.

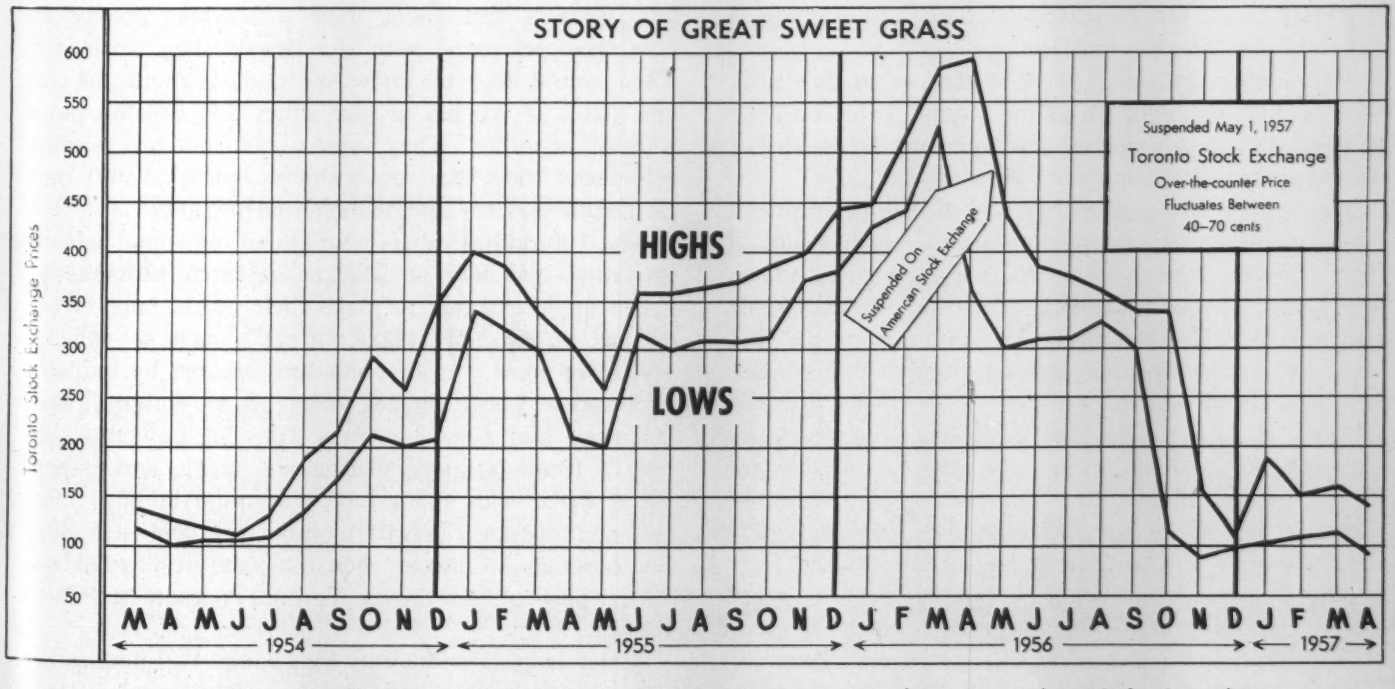
For Sam, promoting a company and marketing the stock is a challenge to his ingenuity. He is clever, affable and literally radiates an attitude of complete candor. When Sam puts his mind to it, he can usually figure out ways to sell stock.

Great Sweet Grass Oils Ltd. was Sam's masterpiece. It was a promotion that separated U.S. investors from an estimated $11,000,000, provoked the U.S. Securities and Exchange Commission to screaming indignation and made Sam almost the "kiss of death" in Canadian securities circles, at least for the time being. It also netted Sam an amount variously estimated from $6,500,000 (according to his critics) to less than one dollar (according to Sam).

How did he do it? In outline Sam's scheme was simplicity itself. In execution it was a marvel of complication.

In essence, Sam's problem was this: He wanted to sell Sweet Grass stock in the U.S. If he went through the normal channels to set up stock for primary distribution

CONTINUED ON PAGE 34



From about $1 when Sam started promoting, Sweet Grass soared to almost $6, fell back to $1.

Chief Consultant to the Round Table, 63 year old Sir Goeffrey Vickers (centre) and Lady Vickers chat with member.

Businessmen Study Industry's I

by Loga Mc

"THIS," said Mr. Crawford Gordon, "is not going to be just another bull session!"

Mr. Gordon, president of A.V. Roe (Canada) Ltd., was speaking as chairman of the Round Table on Man and Industry at its opening session in the University of Toronto's Senate Chamber a year ago.

This month 100-odd leaders of industry, government, labor and the professions will start the second half of their two-year investigation into the impact on human well-being of rapidly expanding industry. It will be no bull session. The members will scatter from the university campus into urban and out-of-the-way communities to see and find out for themselves what expanding industry is doing to people. They will come back together again to compare notes on what they have seen and heard and suggest questions, some of which may be answered in the next 12 months by researchers of the University of Toronto's School of Social Work.

The members want to know how the family is affected by the shorter working day, the growth of credit buying, the decline in buying power of the dollars, shift work and the commuting problem. They want to know how workers feel about their jobs, their unions and how they get along with the people they work with. They would like to know more also about the role and status of women in both cities and isolated industrial communities. They want to find out how families feel about their local governments, physical and mental health services and recreational facilities.

The 100-odd members who attend the round table by invitation and help finance its research problem will break up into teams to make their on-the-spot investigations in selected "impact areas", each of which is typical in some way of conditions created by industrial expansion. These impact areas all in Ontario, were: Cornwall and nearby centres (the St. Lawrence Seaway); Iroquois Falls, Ansonville (pulp and paper); Blind River with Elliot Lake (uranium mining); Malton and district (aircraft manufacture and servicing); Scarborough (a mixed industrial and residential suburb); part of downtown Toronto (urban redevelopment.)

Chief inspiration of this long-range fact-finding program, involving the collaboration of business and pro-

fessional leaders and the University, is Sir Goeffrey Vickers, V.C., M.A., 63, an English soldier-scholar-lawyer who retired from a government post two years ago to study and write about problems of values and communications. He is chief consulant to the Round Table and returns from Britain this month to guide its second session.

An Oxford scholar, Sir Geoffrey interrupted his studies to join the Army in World War I, was wounded and awarded the Victoria Cross and the Belgian Croix de Guerre. He became a partner in the well-known London law firm of Slaughter and May and in World War II rejoined the Army and was employed on special missions until he became director of economic intelligence for the Ministry of Economic Warfare and a member of the Joint Intelligence Committee of the Chiefs of Staff.

Since the war he has served his country as a member of the National Coal Board, the Medical Research Council, the Mental Health Research Fund, the Council of the British Institute of Management, the Royal Commission on the Press and the Committee of Inquiry into the Cost of the National Health Service and a number of other boards and councils.

At its initial session, Sir Geoffrey described the problem the Round Table was organized to deal with.

"Industrialism," he said, "tends to make a progressive impact on four areas of great importance to human well-being. It changes and restricts our living space, it divorces our social from our economic life; it changes our aspirations and especially our concepts of status and success; and it erodes the structure of expectation which underlies both our sense of security and our power of foresight."

One of the troubles with industrialization, he said, was that it "continually puts to us new choices which we are ill-equipped to make and hence ill-equipped to recognize.

"We are also unwilling to recognize these new choices.

"Whereas we like new industrial techniques for their newness, we dislike new political and administrative techniques; we are as reluctant to experiment with them as we are glad to experiment with new machines and processes. We have some reason for our fears but we must face the fact that we cannot have the one without the other. As we change our physical world, so we shall inescapably change our social world and our personal world. If we cannot keep them in phase we shall meet disaster."

Armed with profile studies of the communities they were to visit and accompanied by members of the university staff, Round Table members sought to find out

CONTINUED ON PAGE 40

's Impact on the Community

gan MacLean

This month leaders from industry and government will investigate the effects of our expanding industry on human well-being.

Sydney Smith, Past-President of University of Toronto, addresses Round Table meeting.

What Doctors Can Do For the Alcoholic

by Hugh Garner

The treatment devised at Ontario's Brookside Clinic consists of a three-pronged approach—physiological, psychological and sociological. It produces results.

At an emergency ward. Medical treatment is the necessary first step to recovery.

ALCOHOLISM IN CANADA has increased from 1,670 per 100,000 population in 1953 to 1,850 in 1956, and it is still rising. Six out of every 100 persons gainfully employed in Canada are alcoholics, and on the average they are absent from their employment 18.7 work days per year.

Though the disease claims scores of physicians every year, many general practitioners will not treat the alcoholic, looking on him as a nuisance and the cause of his own physical downfall. The Blue Cross Hospital Plan pays an alcoholic's fees in hospitals and clinics where he is admitted for treatment for the disease, but nearly all other hospital plans refuse payment for the alcoholic patient.

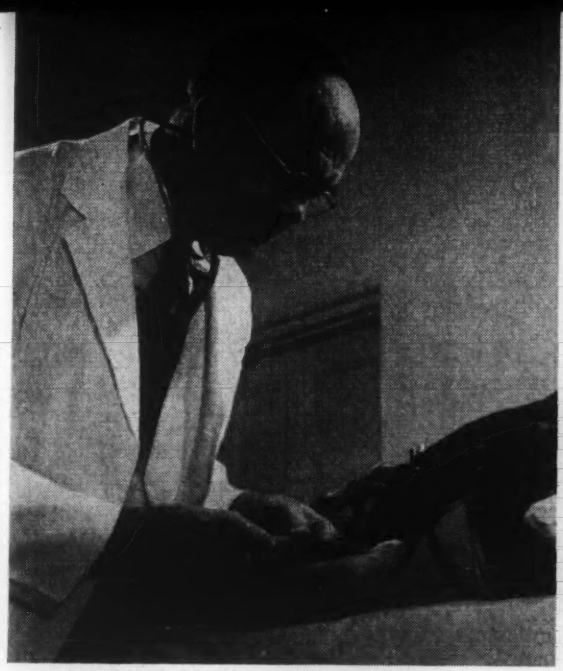
In 1953-54 the Alcoholism Research Foundation of Ontario, a government organization set up by the Ontario Legislature in 1949, completed a survey of "X" county, Ontario.

The researchers found the average alcoholic to be "in the middle grade of the population. He was usually a skilled or semi-skilled person, ranging in age between 35 and 45, married, maintained his own home and had two or three children." In other words, a responsible member of the community.

Of these alcoholics, 60.9 per cent were classified as semi-skilled, skilled, white collar, professional, managerial or proprietory. Only 35.6 of the alcoholic citizens of this county were found in the unskilled and transient or casual labor force.

What is the difference between a social drinker and an alcoholic? Dr. John D. Armstrong, Medical Director of the Alcoholism Research Foundation, says: "I think of a social drinker as a person who takes an alcoholic beverage in the company of his friends, because of some additional, perhaps even important, pleasure that it gives. The alcohol however is not the prime purpose of the gathering, is not essential to the success of the gathering, nor is it necessary to the individual. He does not need it to feel secure rather than uneasy, witty rather than dull, competent and wanted rather than inferior or rejected. When a person begins to see worth in an experience only in the presence of alcohol he is in danger of following an increasingly unhealthy pattern in his use of such beverages."

The average physician can diagnose most physical diseases through



Dr. Hugh Kerr examines a patient. Physical damage must first be diagnosed and treated.

Group therapy plays an important part in the treatment at the clinics operated by Ontario's Alcoholic Research Foundation.

an examination of the patient, taking note of the combination of symptoms that are there. In the case of the alcoholic, the syndrome may be physical, pointing to cirrhosis, alcoholic gastritis, or brain deterioration, or it may be psychological or behavioristic. The sober alcoholic shows no outward signs of his illness, and the statistics on which the alcoholism rate are based are arrived at by a complicated method involving deaths from cirrhosis, and the voluntary information of the alcoholics themselves.

Dr. Armstrong says, "At this time I do not think it profitable to argue whether alcoholism is merely a symptom of an underlying psychological disorder or a disease in its own right. It is a fact that enough alcoholic patients have neuroses, character disturbances, or other evidence of psychological disorder to make this an important factor in considering treatment. On the other hand let us not dismiss too readily the concept of alcoholism itself as a disease or a syndrome. The nature of this syndrome or symptom complex may differ from our common conceptions of disease, but this should not discourage us from looking at alcoholism as a medical entity."

Careful study of the drinking habits of many alcoholics has revealed a common pattern. This may be broken down into the following 13 steps:

1) Like many people, the potential alcoholic begins to drink in a moderate, sociable way. About 97 per cent of the six million users of alcoholic beverages in Canada never go beyond this first step.

2) "Blackouts" occur — not "passing out", but loss of memory for part or all of a period spent drinking.

3) Alcohol begins to mean more to the potential alcoholic than to the people around him who may also be drinking — and he needs more of it more often.

CONTINUED ON PAGE 29

The Prevalence of Alcoholism

The World

1954

France	5,200
United States	3,952
Sweden	2,580
Switzerland	2,385
Denmark	1,950
Canada	1,804
Italy	500

Canada

British Columbia	2,290
Ontario	1,780
Quebec	1,760
Nova Scotia	1,450
Alberta	1,420
Manitoba	1,420
New Brunswick	1,180
Saskatchewan	1,140
Newfoundland	640
Prince Edward Island	520

(Incidence per 100,000 population 20 years old and over)

The socially prominent trustees who lent their names to this who's-who of polite society say they had no idea it was a money-making venture.

Mr. Justice F. H. Barlow was co-chairman of the board of trustees but later said he'd have "nothing to do with it".

Canada's Social Register: Pedigrees or Profits?

by Norton Calder

Zena Cherry, Globe and Mail society columnist, is national editor of The Register, helped line up trustees to guarantee "editorial integrity".

CANADA IS TO HAVE a Social Register — a list of the members of polite society who have "contributed significantly" to the development of Canada.

The book will be published by a group of business men who say they "hope to make a profit on it."

Selection of the names to go in the book is supposed to be under the control of a group of socially prominent trustees who say they believe the publishing venture will be "absolutely non-profit".

The publishers are incorporated in Ontario under the name Social Register of Canada Company Limited which is capitalized at $100,000. President is Lloyd Shier, 46, a Toronto bookbinder and job printer. Associated with him are a group of Toronto business men, including Duncan Finlayson, an insurance broker, who provides the company with an office in his Bloor St. building. Mr. Shier concedes there is also "some American money" involved.

Kingpin in the organization, however, is a white-haired, sixtyish, promotor named John Neville who says he was born in Toronto and spent most of his life in the United States. Neville's name has been kept carefully in the background although he is the only really active member of the firm.

It was Neville who engaged Zena Cherry, Toronto *Globe & Mail* society columnist and Junior Leaguer to be national editor. It was Mrs. Cherry who recruited the distinguished names in the Toronto district to act as trustees and guarantee the book's "editorial integrity". The Quebec trustees were lined up by Yves Bourassa, socially prominent Montreal advertising executive.

The trustees listed in *The Register's* press release are: Mr. Justice Frederick H. Barlow of the Supreme Court of Ontario and senator Thomas Vien of Montreal, co-chairmen; Mrs. Mathieu Samson of Quebec City, daughter of former Prime Minister Louis St. Laurent; Mrs. Maurice Forget, Mrs. Jos. Ed. Perrault and Mrs. Pierre Savigny, all of Montreal; Lady Eaton, King, Ont.; Mrs. Thomas Mulock Jr., Aurora, Ont.; Mrs. Clifford Sifton Jr., Todmorden, Ont.; Mrs. B. B. Osler, Mrs. Arnold M. Trow and Wallace D. Cox, Toronto.

Mr. Justice Barlow first told SATURDAY NIGHT in a telephone conversation from Sudbury, Ont., where he was presiding at a court, that *The Register* would be "absolutely non-profit in every way."

"I would have nothing to do with it otherwise," he said.

The following day Mr. Barlow telephoned SATURDAY NIGHT to say he had decided he would "have nothing to do with *The Social Register*".

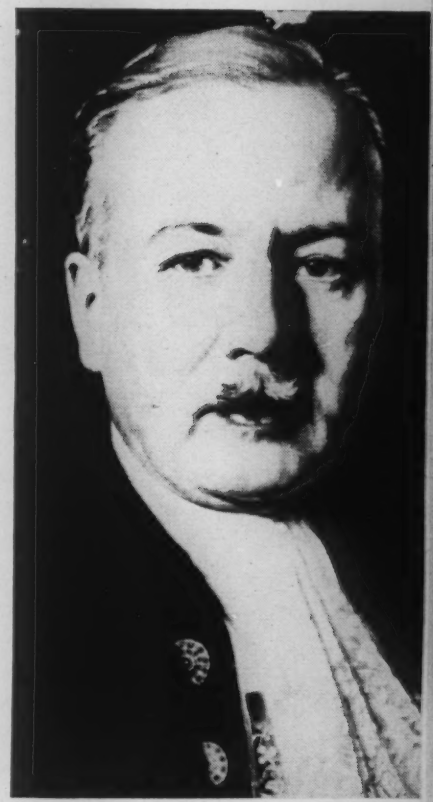
"I have made some inquiries and, although there is nothing wrong with it I have decided it is not the sort of thing I should be associated with as a judge," he said.

Mrs. B. B. Osler withdrew earlier on the grounds that her husband's law firm was acting for the company.

It was likely that other trustees would follow Mr. Justice Barlow's lead in withdrawing their names and it may be that by the time this article reaches print the whole scheme will have come apart at the seams.

It is astonishing how casually so many prominent people lent the dignity of their names to a scheme about which they knew practically nothing. None of the trustees had any clear idea about what their job would be.

"I must confess I don't know much about it," Senator Vien said. "When I was told the names of the others serving as trustees I agreed to let my name stand, too. Mr. Justice Barlow is an old friend of mine. As I understand it, the trustees will have complete control of the book. They will let a contract to the company for printing and distribution. That will be the only profit involved — a fee for printing and distribution."



Senator Thomas Vien of Montreal was co-chairman with Mr. Barlow, said trustees would award contract.

Another trustee said: "I think the trustees will have something to do with shaping policy. I understand we will have maybe one meeting a year but we will have nothing to do with who goes in or out of the book."

"I haven't given much thought to it," a woman trustee said. "A list of the trustees was read to me and they all seemed like fairly solid citizens. If there was anything dubious about it they certainly wouldn't let their names stand. I suppose there will be a profit in it somewhere. Obviously, they have to sell the books."

Most trustees, however, believed the book would be published on an "absolutely non-profit basis" and would not have allowed their names to stand otherwise.

Company president Lloyd Shier admits it is not a non-profit organization.

"Naturally, the publishers hope to make a profit," he said.

Six weeks before the December 1 publication date, Mr. Shier said arrangements with the printers had not been completed. He didn't know how many books would be printed but guessed it might go as high as 50,000.

The books will sell at $15 each. If 50,000 were sold the company would take in $750,000. Editor Cherry said there might be as many as 100,000 names in the book. If each person listed bought a copy to admire his own name in print, sales would amount to a million and a half dollars. This would not take into account sales to retail firms, travel agencies, and stock promoters who would find *The Register* a handy sucker list of well-heeled society.

Mr. Shier modestly disclaims credit for conceiving the idea of *The Register*.

"I believe it was John Neville's idea," he said.

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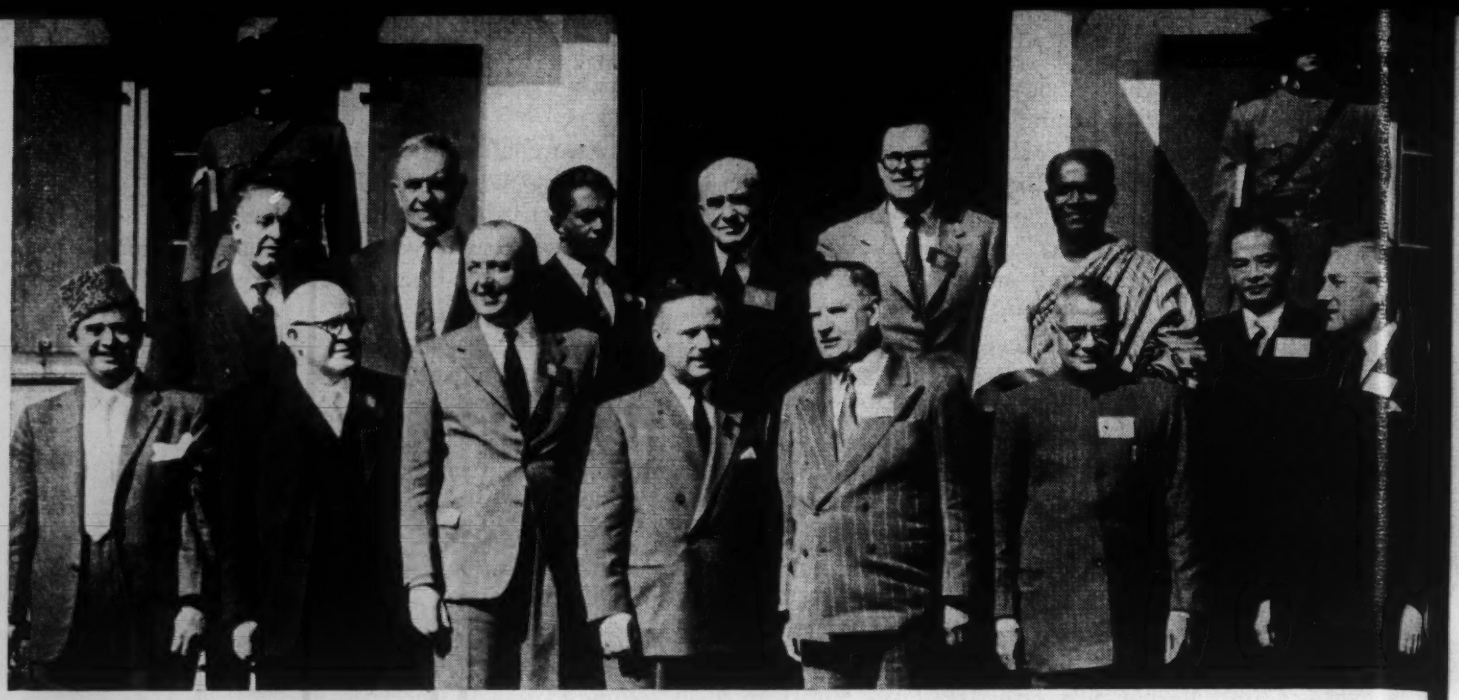
Lady Eaton and Mrs. Mathieu Samson, daughter of former Prime Minister St. Laurent, are members of board. Few trustees knew duties. Most thought Register was non-profit.



Canada's Finance Minister Fleming presides at Mt. Tremblant. Now there is to be a full-scale economic conference in 1958.

Canada, Britain and t

by Maxwe[illegible]o

WHEN MR. DIEFENBAKER went to London last June he opened a Pandora's box or prodded a dormant spectre, either of which mixed metaphors as with their difficult economics now have come home to roost. For by proposing to re-examine the possibility of increased trade between Canada and the Commonwealth, and particularly with the United Kingdom, he aroused an old ghost the Liberals had allowed to be silent over the years. And when the British read these proposals in their press—with Mr. Diefenbaker employing 15 per cent of Canadian imports from the United States, or roughly 625 million dollars, as the target he had in mind—there were probably conflicting emotions in London.

For only shortly before the British had been designing a Free Trade Area that would link them with all of the O.E.E.C. countries (the Organizations For European Economic Cooperation includes all Western Europe, Greece, Turkey and Britain with collateral participation by Canada and the U.S.). The six members of the European Common Market (Netherlands, France, Belgium, Luxembourg, Italy and West Germany) were, of course, to be fitted into this plan—although they would represent a single economic entity inside the Free Trade Area. Hence this sudden outburst of imperial trade nostalgia expressing itself in concrete proposals, however serious and warmly motivated it may have been, probably caused at first more embarrassment than enthusiasm.

But since those days of the grand gesture in June much has happened. The Commonwealth finance ministers have met at Mont Tremblant while immediately afterwards the Canadian and United Kingdom colleagues conferred in Ottawa. Not only is there now to be a commonwealth economic conference in 1958, thus fulfilling Mr. Diefenbaker's initial hope, but there emerged also what nobody had bargained for — Mr. Thorneycroft's counter-offer, his "Potter-ploy", namely, the proposal for free trade between the United Kingdom and Canada. While above it all, the Russians have launched their satellite and have shot a ballistic missile three thousand miles or more. And, elsewhere, four Canadian cabinet members are composing an economic waltz for their United States opposite numbers in the hope of having sweeter music from Washington instead of the discordant "give-away" chords of recent years.

Any analysis of a proposed change in the direction of Canadian trade with the Commonwealth necessarily involves some appreciation of the nature of Canadian trade as a whole. Moreover, since the U.K. is deeply involved in a reconsideration of its economic relations with Western Europe inside and outside the Common Market countries, and since Canada too has important trading traditions with most of the O.E.E.C. countries. no conclusions about the ambitions of the present Conservative Government are really possible that do not embrace a large view of trading patterns.

To begin with it must be understood that since 193[illegible] the direction of Canadian trade, already well grooved in the north-south channels of this continent, has become

Mr. Diefenbaker has aroused an old ghost which Liberals had allowed to slumber. It has now come home to roost.

Britain's Thorneycroft was accused of making a "Potter-ploy" in his Free Trade proposals.

nd the Common Market

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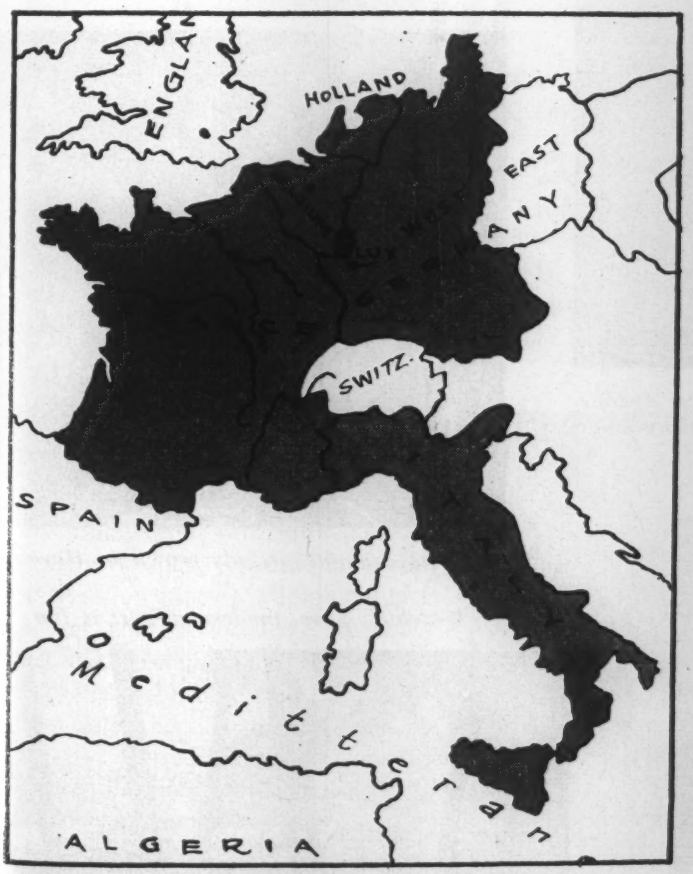

Britain has been casting eyes at this market. Canada's proposals created more embarassment than enthusiasm.

even more distinctively North American than ever before. Canadian trade with the Commonwealth and the United Kingdom in the period since 1938 has, of course, risen absolutely, but fallen relatively compared with Canadian exports and imports to and from the United States. The figures speak for themselves: In 1938 Canadian imports from the Commonwealth were 184 million as against total imports from all countries of 677 million and of these 119 million were from the U.K. In 1956 total imports from the Commonwealth was 706 million while from all countries the grand total stood at 5,710 million — and, of these only 485 million were from the United Kingdom. The export side shows a similar striking change. In 1938 our exports to the Commonwealth were 437 million, of which 341 million were to the U.K., out of a total of 848 million to all countries. In 1956 total exports to the Commonwealth were 1,005 million of which 813 million were to the United Kingdom alone, out of a global export figure of 4,790 million. In 1956, of course, by far the greatest share of our exports and imports moved to and from the United States.

It takes no profound study of these figures to appreciate the fact that not only has the dimension of Canadian external trade multiplied out of all expectation but whereas in 1938, out of our exports to the world, over half were to the Commonwealth. In 1956 less than a quarter were Commonwealth directed and only a sixth or

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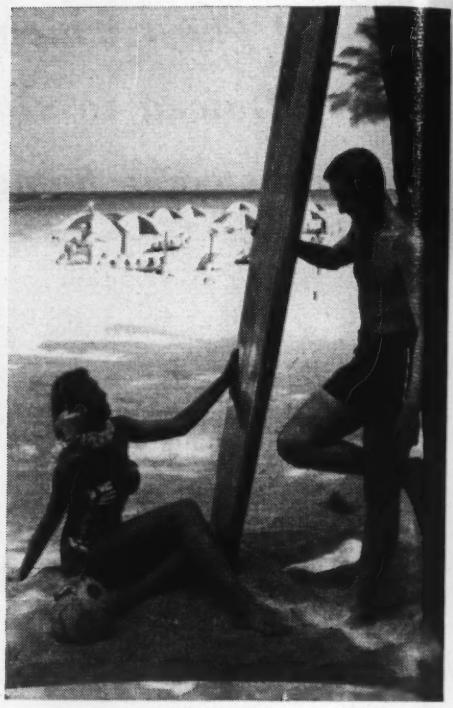
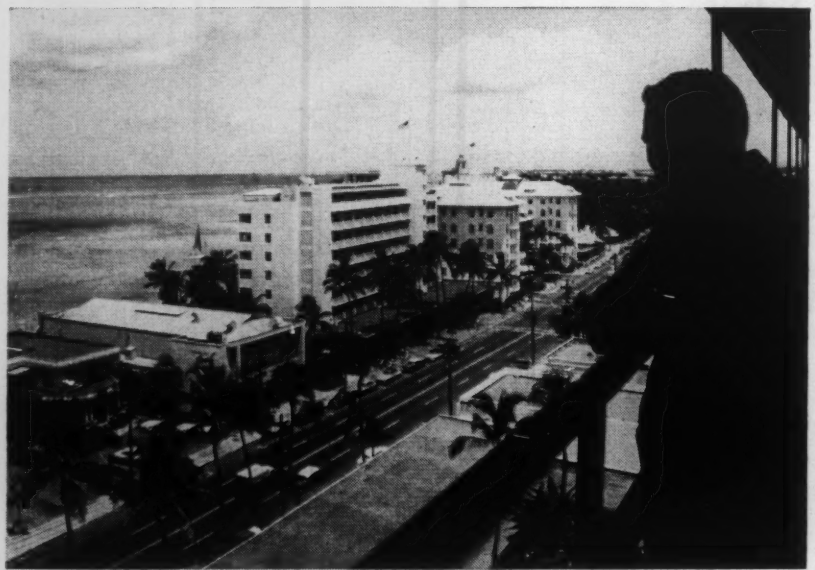
Travel

With Diamond Head in the background, this view of Waikiki is a memory that many a visitor will carry with him throughout his whole lifetime.



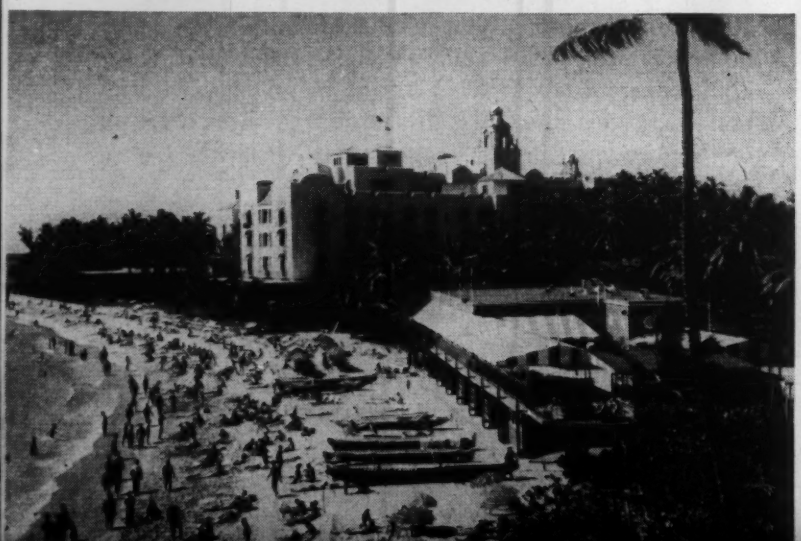
Bright umbrellas, tropical plants and trees, calm blue water and vacationists.



View from a penthouse cocktail lounge above King Kalakaua Avenue. Buildings in background include smart shops and well-known hotels.

Visitors examine orchids grown in Hawaii.

This stretch of Waikiki beach is generally first spot visited.



Watching busy, modern airport is fun.

The music of the islands is as popular today as when the first craze swept North America. The dancers too.

From this point on the island of Kauai vacationers look down on the Kalalau Valley, 4,000 feet below.

Wintering at Waikiki has now become the thing to do and Canadian businessmen turn up with noses peeling to talk knowingly of "hukilaus" and even "mahimahi".

Sun, Sand and Surf

by Stuart Keate

A simple fact of life in Canada has become of arresting significance to travel agents: when the snow flies, so do Canadians.

This year an estimated 10,000 of them, seeking surcease from our bone-chilling winters, will head for the Hawaiian Islands, which have been "discovered" by western Canadians in the same sense that the therapeutic effects of Bermuda and Barbados have created a travel-consciousness in the ice-bound denizens of Toronto, Montreal and the Maritimes.

"Wintering at Waikiki" has become the thing to do. Western businessmen turn up at their home offices, their noses incredibly peeling with sunburn, to talk knowingly of *hukilaus* (fishing expeditions) and *mahimahi* (a succulent dolphin which you eat charcoal-broiled). A thousand living-rooms will echo to the langorous recorded strains of Louise Akeo and her Islanders, evoking memories of sun-filled days on the beach and dances on a terrazzo floor, beneath swaying palms.

The growth of this Pacific traffic has been astonishing. In 1955, according to the Hawaii Visitors Bureau (whose researches into the tourist industry must be a model), 2,700 Canadians visited the Islands. Last year, the figure was doubled, to 5,264.

Bathers walk barefooted to beach. In background a modern apartment.

Of these, 2,156 came from British Columbia and 3,108 from other parts of Canada. Since the total of 130,000 who stayed longer than two days spent some $75 millions in the area, it's safe to predict that Canadians contributed about $1.5 millions to the economy.

But Canadians do not conform to the regular tourist flow. The peak season in the Islands is June and July. Half the Canadians flocked there in January, February and March; the others in the lowering winter months of November and December.

The Bureau's studies would indicate that the "average" visitor falls into the business, professional or managerial class and has a median income of $13,300. But about 20 per cent are teachers, students, salesmen and clerks, whose median income for the summer months, when they are free to travel, runs around $7,100.

A sublime statistic reveals that 18 per cent of last year's visitors were

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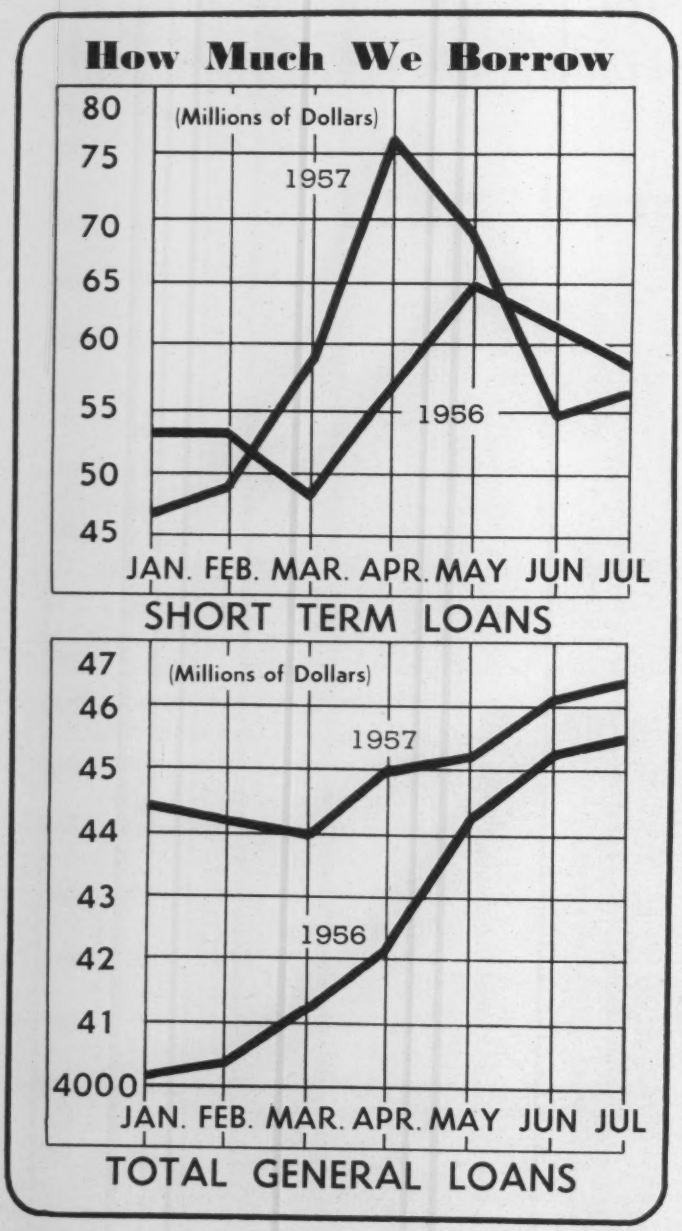
Not all types of borrowed money are good for a business. As the credit squeeze pinches, it is becoming increasingly important to know:

How to Borrow Money For Your Business

by R. M. Baiden



CREDIT IS TO BUSINESS what gasoline is to an automobile. Without it, neither could operate. With the right kind, each runs smoothly and profitably.

Credit is no longer just something a businessman uses to get himself out of a tight spot. It is a money making operation. Big business has worked on this principle for many years. Small business has been doing it in a big way only since the end of the war.

Now business is in a credit squeeze. Central bank policies of credit tightening have increased the cost of borrowing as well as eliminating some kinds of borrowing. The effects of competition for what credit is available have further increased costs and cut the supply.

In this process small business, which accounts for almost half total dollar shipments and more than one-third of all industrial employees, is the hardest hit. In general, small business does not have access to such important avenues of credit as stock market, mortgage and debenture financing.

So it must look hard at what avenues are available to it. There is a surprising number but, like gasoline in a car, not all will work for any one business.

First, take a look at what credit is and how and when it should be used.

Your credit is simply the belief by somebody else that you will pay a debt. It is, in essence, a commodity every bit as much as your inventory or your product. So treat it as such if using your credit will increase net sales more than the cost of the credit.

There are two main uses for credit: To get fixed assets and to provide working capital. Working capital usually comes out of the owners' pocket for normal requirements. You can get extra working capital, however, by borrowing for seasonal or other unusual demands.

The two main uses of credit indicate two main categories of loans: long and short term. It is important to

CONTINUED ON PAGE 41

London Letter

by Beverley Nichols

The Pansy's Charter?

IF YOU HAD BEEN living in London during the past few weeks — or indeed anywhere in Britain — you would be heartily sick of the subject of prostitution and even sicker of the subject of homosexuality. You would begin to feel that the population of this island was divided into two monstrous regiments, one composed of harlots and the other of sexual freaks.

The reason for all this, of course, is the Wolfenden Report, which represents the conclusions of a committee of distinguished men and women, drawn from every walk of life, after two years of exhaustive deliberation. They had to tackle two problems — firstly the state of the streets, which was frankly disgusting, and secondly the social and legal position of the homosexual, which was frankly mediaeval.

The report recommends that we should try to tax prostitutes out of existence, and if this method fails, that we should send them to gaol. At the moment, they are merely subject to a fine of two guineas, which they pay again and again with a perky smile, secure in the knowledge that they can earn it back within an hour or so of leaving the court. The fines are to be stepped up to as much as £50 — a sum which, in the opinion of the committee, should be a sufficient deterrent, particularly to the beginner. Well . . . we shall see.

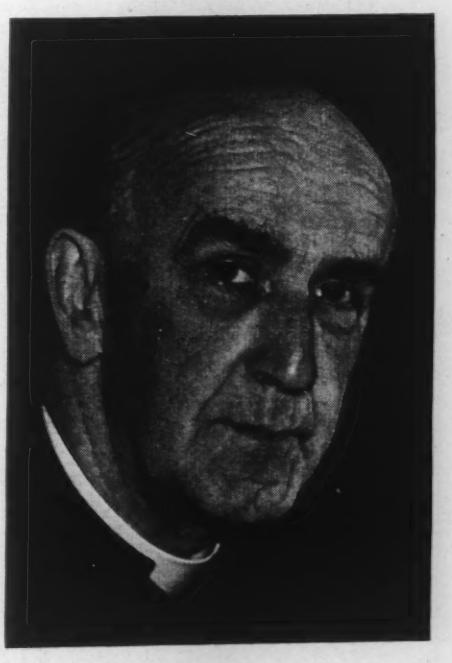
Although the second problem — homosexuality — was far thornier, the committee agreed with one exception that acts committed in private between consenting males over the age of 21 should no longer be criminal. They suggested that it was not the province of the State to arbitrate on individual sin. The duty of the State should be confined to preserving public decency and to protecting young people. (The penalties for the corruption of minors are, quite rightly, to remain as stringent as ever). They also pointed out that the law, as it stood, was the result of a hasty amendment passed 60 years ago, which had never been debated in the House. And that since those days quite a lot of light has been thrown into the darker corridors of the human soul.

The reaction of the press was much as one would have expected. The sensationmongers had the phrase Sodom and Gomorrah set up in permanent type and thundered about the decadence of Greece and the decline and fall of the Roman Empire. Mr. John Gordon, of the *Sunday Express,* coined the elegant phrase "The Pansy's Charter". The majority of the soberer journals, though expressing no fondness for the habits under discussion, agreed with the findings of the Committee. Finally the Archbishop of Canterbury pronounced in favor. The whole of his letter in the Canterbury Diocesan notes is devoted to the report, and a masterly letter it is. Those whose minds are still bemused and bewildered by a subject which must always be abhorrent to the vast majority would do well to study this letter. It is not only a great spiritual essay but a great liberal document. It concludes with the words:

"Just because man's ultimate responsibility is to God alone, there is a sacred realm of privacy for every man where he makes his choices, fashions his character and directs his desires, a realm of his own essential liberties, including liberty 'to go to the devil', into which the law, generally speaking, must not intrude.

"Only God's love has an inherent right of entry there. This is a principle of the utmost importance for the preservation of human freedom."

If this letter were produced in colored pictures instead of in sober print, the



Canterbury: A masterly letter.

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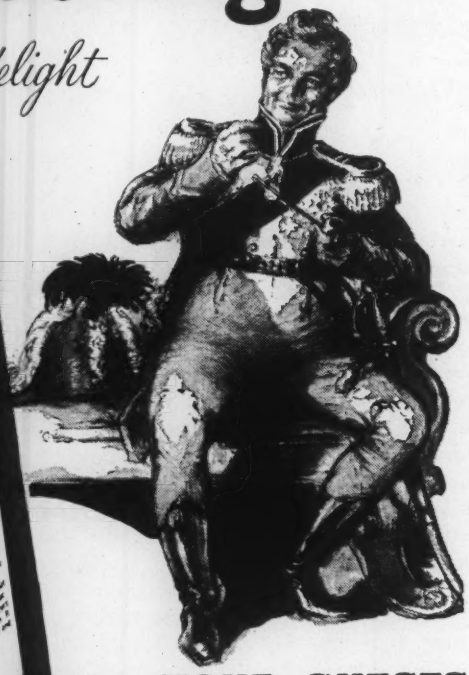

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colors would be greatly changed since first I began writing it, several years ago. In those days the London Teddy boy was still a rare phenomenon, today his name is legion. And of the past few months his wardrobe has become even more startling: the skin-tight Edwardian trousers are giving place to trousers of palest blue, very baggy at the knees. These give the effect that the streets of London are full of youths walking about in pyjamas. The elaborate built-up hair-do's — on which some of these boys spend as much as five dollars a week — are retained, and so, unfortunately, are the habits. We have not reached the Chicago stage of gang warfare, but the gangs are growing, particularly in the East End, and they are armed with the conventional weapons, bicycle chains, sheath knives, and razors stuck into corks.

A London policeman told me that he would rather face the toughest thug than one of those hysterical teenagers. Even more significant was a talk I had with the manager of a burglar alarm company who had come to see me about the protection of my new flat. He told me that all the insurance companies were increasingly concerned by the number of Teddy-boy burglaries that were marked by sheer malicious damage. "If they don't find what they want" he said, "they slash the pictures and burn the carpets. They'll even pour buckets of water into the piano."

As you will have read, we had a brief period in which insulting the Queen was all the vogue. The press showed up badly in this unfortunate affair. The original article by Lord Altrincham, which started the furore, was on the whole a sober and reasoned criticism of the functions of monarchy in the present age. The press ignored the arguments and fastened onto a few vulgar phrases which his lordship, with a strange lapse of taste, had allowed to creep in . . . such as the description of the Queen's voice as "a pain in the neck".

The letter from the Marquess of Londonderry, a few days later, should never have been published at all, least of all in a paper like the *New Statesman*. Lord Londonderry is a rather silly youth of 19 whose principal interest is hot music, and his opinions are scarcely worth the courtesy of the columns of an undergraduate magazine. However, some good may come out of it all, provided that the Queen's advisers are not totally deaf to the voice of the man in the street. This is a television age, and if royalty is to hold its grip on the masses, royalty must manage a smile when facing the cameras, even if it hurts. And royalty must learn at least a few sentences by heart.

If Henry V had been obliged to refer to his notes when calling us "once more into the breach, dear friends, once more", the history of England might have been very different.

Puzzler

by J. A. H. Hunter

"YOU KNOW Joe's address?" Ken asked, looking up from a mass of papers.

"Joe Hill?" replied his father. "In Glen Drive some place. There's not thirty houses in the road and I know it's not in the first ten."

"Well, I've figured out something funny about his number and four other addresses," said the boy. "That's our number, the biggest of the four, and Grandad's which comes next, and Bob Cope's and Gwen Bray's."

The names meant nothing, but his father nodded. The boy obviously had something on his mind, and anyway Ken's father likes teasers.

"Those four numbers add up to twice Joe's number multiplied by itself," Ken went on, "and the funny thing is that all four are prime numbers."

That seemed clear enough. "Go on," his father told him.

"And Joe's number is the difference between ours and Grandad's multiplied by the difference between Bob's and Gwen's," concluded Ken happily.

It wasn't so bad for Ken's father. But we don't even know *his* address. Can you find all five numbers? (60)

Answer on Page 44.

Chess

by D. M. LeDain

HAZARDS in the chess openings abound. Here are several worth knowing.

(King's Gambit Declined) 1.P-K4, P-K4; 2.P-KB4, P-Q3? 3.Kt-KB3, Kt-QB3; 4.B-B4, B-Kt5; 5.Kt-QB3, PxP; 6.Castles, Kt-K4? 7.KtxKt, BxQ; 8.BxPch, K-K2; 9. Kt-Q5 mate.

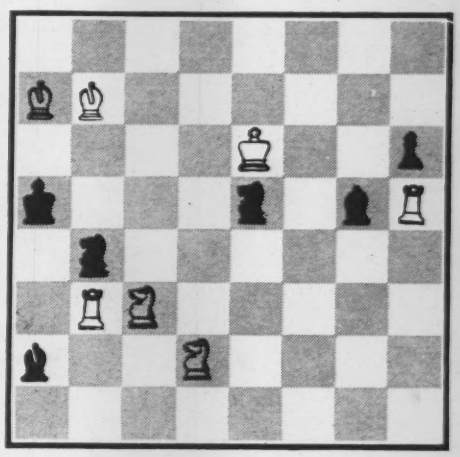
(Caro-Kann Defence) 1.P-K4, P-QB3; 2.P-Q4, P-Q4; 3.B-Q3, Kt-B3? 4.P-K5, KKt-Q2; 5.P-K6! PxP? 6.Q-R5ch, P-KKt3; 7.QxKtPch, PxQ; 8.BxP mate.

(Evans Gambit Declined) 1.P-K4, P-K4; 2.Kt-KB3, Kt-QB3; 3.B-B4, B-B4; 4.P-QKt4, B-Kt3; 5.P-Kt5, Kt-Q5; 6.KtxP? Q-Kt4; 7.KtxBP, QxKtP; 8.R-B1, QxKP ch; 9.B-K2, Kt-B6 mate.

A copy of "25 Pitfalls in the Chess Openings Everybody Should Know" may be obtained on request, enclosing a stamped self-addressed envelope.

Solution of Problem No. 177 (Heathcote). Key, 1. K-K1.

Problem No. 178, by P. H. Williams. White mates in two. (7+6)



'Spainful!

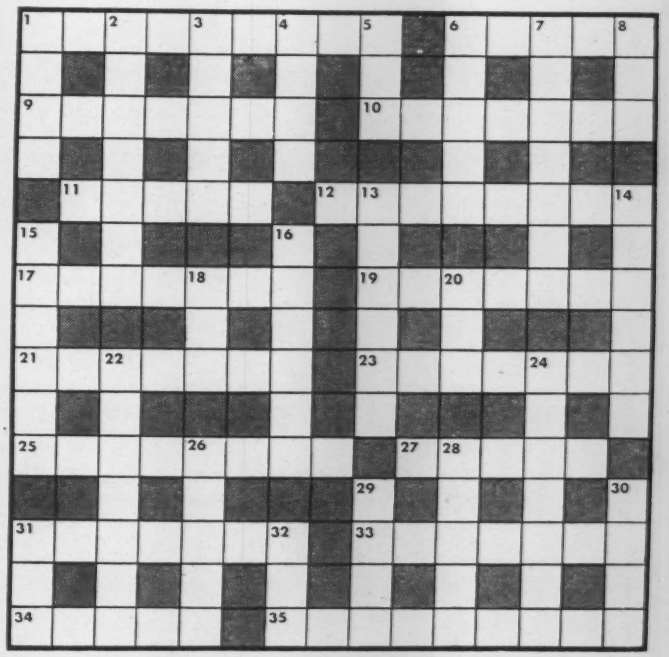
by Louis and Dorothy Crerar

ACROSS

1, 2, 15. It is, to go to a 35. (4, 2, 3, 7, 6)
6 "I'm . . ., . .bert! See you later". (5)
9 Chekhov's bird of play. (7)
10 Something wanting? (7)
11 He made 13 a person of note. (5)
12 It's a bit of a one when one clambers over. (8)
17 To do this to him made the Hun sore. (7)
19 Just think what a mirror may do to you. (7)
21 Psst! too wobbly, the drunkard! (7)
23 Name it, and take it to heart. (7)
25 One of a mad sort when unruly, caused 13's downfall. (8)
27 Musical comedy where one will always get a seat? (5)
31 See 33.
33, 31. It may seem improper all around taking 'er (13) as the heroine of his story. (7, 7)
34 It's green, so is a change for the traveller. (5)
35 At which there is sure to be gore of one sort or another. (9)

DOWN

1 See 5.
2 See 1A.
3 To do this is part of a museum's function. (5)
4 One of these surely made a strange mate for a pussy-cat. (4)
5, 1. Joe nods to 13's lover. (3, 4)
6 House frequented by 13. (5)
7 Competent after Friday, if you take the day off? (7)
8 But the Captain wouldn't throw this book on the fire. (3)
13 Careful women make ends meet. (6)
14 Entrance for a dining room, as a matter of course. (6)
15 See 1A.
16 What can the Dr. be up to inside? (6)
18 A tear for a tombstone. (3)
20 Her father lost her repeatedly. (3)
22 Change is a rest? Ironically, yes! (7)
24 Where to hang your hat when camping out? (4-3)
26 Margot Fonteyn is now 23d to be numbered among them. (5)
28 Only a fool would stand on his head and be unconcerned. (5)
29 Plea to a friend gets a stony look. (4)
30 Even a little baronet might turn out to be one. (4)
31 Yet it's not the call of the moose! (3)
32 Go out and look for it among the pebbles on the beach. (3)



Solution to last puzzle

ACROSS

1 Dodo
3 Lantern jaw
10, 32. Capital punishment
11 Blubber
12 Masters
14 Enhance
16 Sate
18 Propagates
21 Proud flesh
22 Peep
25 Regents
27 See 31D
29 Nuptial
31 Guitars
32 See 10
33 News

DOWN

1 Decamps
2 Dopes
4, 9. All at sea
5 Table
6 Roughage
7 Job
8 Wardens
9 See 4
13 Sorel
15 Nitre
17 Thong
19 Poser
20 Adenoids
21 Parsnip
23 Pegasus
24 Snail
26 Salem
28 Irate
30 Pun
31, 27. Gun running

(427)

The Lively Arts

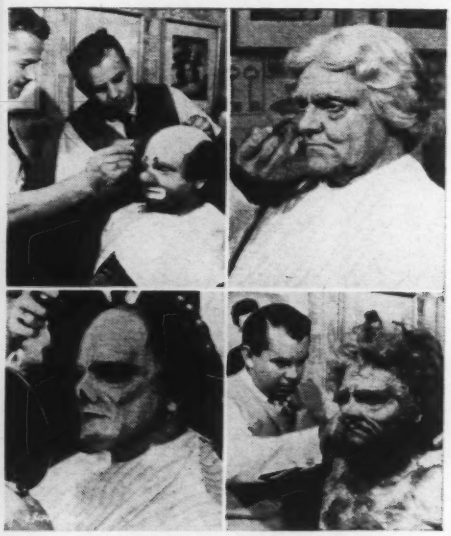
by Mary Lowrey Ross

The Chaney-Cagney Story

PRACTICALLY ALL screen biography follows the same course, and while it is a fairly scenic route, particularly in the case of stage and screen stars, it tends to get monotonous after a while. This can hardly be avoided, since the biographer must trace undeviatingly the same familiar rise from obscurity to fame, recognizing that without the obscurity there wouldn't be any story and without the fame there wouldn't be any biography.

The usual procedure is to work up the high spots in the subject's career, inflate them with as much period excitement as possible, and then fill in the gaps with dialogue bridges and invented personal detail. The result in most cases is a film consisting of about three parts production to one part screen magazine fiction. Occasionally, however, the producer is lucky enough to find a star who can energize the story and bring it into line with the biography, and this is what happened in *The Man with a Thousand Faces,* starring James Cagney as Lon Chaney.

According to the story, Chaney, the son of deaf-mute parents, had an early training in vicissitude and frustration. His education was considerably broadened by his marriage to the first Mrs. Chaney (Dorothy Malone) a lady who seemed to spend most of her time in a state of towering rage at the demands of domesticity. Long after their divorce, the Chaney triumph in Hollywood, and his successful second marriage, she continues to haunt him, lurking about the driveway and peering through the windows of his stately home, in the hope of catching a glimpse of their only son.



James Cagney as Lon Chaney.

Ann Blythe: Climb on the wagon!

While acting is a difficult art to analyze, it is an easy enough one to recognize. In Cagney's case it seems to be a special gift for energizing everything he touches. The instant he appears the dullest little scene comes to life, and even the big scenes begin to stir under their heavy wraps of production, so that presently everything is in motion, with Cagney at the centre, acting right down to the ends of his fingers. Certainly *The Man With a Thousand Faces* would have been a lugubrious story without him, since it obviously sets out to link Lon Chaney's special interest in deformity and heartbreak with his own tortured and mutilated spirit. As it is, it opens with a memorial service and closes with a deathbed scene. In between fortunately there is plenty of vitality, inventiveness, and sheer indignant bounce. Whether or not it is authentic Chaney, it is very fine Cagney.

It was obviously unfair to cast Kim Novak as Jeanne Eagles, the tempestuous star who turned both Jeanne Eagles and Sadie Thompson into the two most sensational names of the Twenties. At the height of her brief career Jeanne Eagles had everything to offer the stage—beauty, high talent, a vivid temperament. Kim Novak, as she appears in the screen version of the story, has little to present except her pure porcelain beauty, lavishly photographed and about as exciting in the end as a collection of radiant lobby stills.

Kim Novak: Porcelain beauty.

The story describes the Eagles career from cooch-dancing days in a circus to her emergence on Broadway, where it strikes its first snag. There are excited headlines in *Variety,* dressing-rooms overflowing with flowers, the star's grim dramatic coach (Agnes Moorehead) splitting her sixteen-button length gloves in ecstasy, the star's despairing rival throwing herself out of the window. Then Kim Novak comes on stage, twitching her ostrich feathers and offering a modified ball-room version of her carnival cooch-dance! After that she takes to the bottle, falls foul of Actor's Equity, and everything runs interminably down hill.

It is no help here that Kim Novak during the final sequences appears to be staggering about under the influence largely of heavy coaching and stage tea. Drunkenness, even when brilliantly simulated, can become pretty tedious to watch, and even the most beautiful drunk is likely to be a bore in the end. The end, unfortunately, is nowhere in sight, even yet. We've had Susan Hayward, Polly Bergen and Kim Novak all tottering about perilously in their cups, and presently we are to have Ann Blythe re-enacting another ruined career, in the screen version of *The Story of Helen Morgan.* One gets tired after a while of tracing these girls through their shattered dreams and lost weekends. It's about time they climbed on the wagon.

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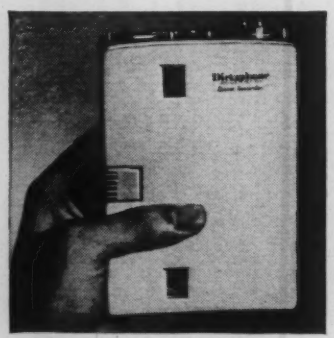

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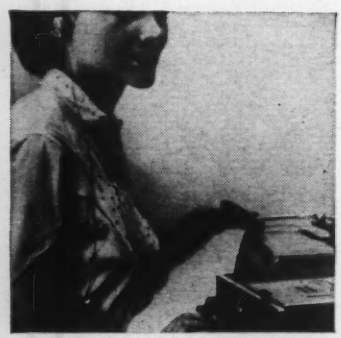

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Books

by Robertson Davies

The Stream and the Creek

Between good English and good American usage there is precious little difference and much of what exists is pernickety, hair-splitting and artificially pumped up.

CANADIANS ARE IN a particularly favored position for watching the rise of American English and its separation from the main stream of the English language. At least, Canadians would be in such a position if there were any such separation to be watched. But is there?

Many Americans assert that it is so. The late H. L. Mencken begins the first volume of *The American Language* (1936) with a chapter called "The Two Streams of English" which is so persuasively and charmingly written that we are persuaded, through the whole of the three volumes of that work, that there are indeed two streams of English. But when we have looked independently at the evidence, and when we have recollected Mencken in tranquility, we may come to the conclusion that Mencken was trying to create an American language, and that in actual fact there are no two streams of English; there is one stream, and a creek which occasionally looks as though it might develop into a stream too, but has not yet done so.

I must ask my readers to believe that this is written with no hostility toward the idea of an American language. I was as thoroughly persuaded of its existence by Mencken as anyone; I was delighted by his concept of a racy, free, inventive English. But where is it? It is to be found in the work of some good writers wherever English is written. Between good English and good American usage there is precious little difference, and much of what exists is pernickety, hair-splitting stuff, artificially pumped up by chauvinists on both sides of the Atlantic.

My evidence? Two books which come to hand, one called *A Dictionary of Contemporary American Usage* by Bergen and Cornelia Evans, and the other *A Dictionary of American-English Usage* by Margaret Nicholson. Without reading either book from cover to cover I have conned them carefully, and though they are interesting books they are not what they seem. I do not advise you against buying them, for they provide good browsing. But if you have Fowler's *Modern English Usage* you do not really need these.

The Evanses' book is lively and perhaps a little cranky, in a scholarly way. Lexicographers like to show in their works that they have souls like other men, and are not mere bowelless compilers of lists. H. W. Fowler had a dry wit — like the scratch of a rusty nail, sometimes — and many writers on English usage since his time (1926) have striven to be even drier. The Evanses are dry but not actually dusty. On its jacket their book is described as Up-To-Date, Complete, Authoritative. Well, let us see.

Authoritative? How can a book on usage be authoritative? Usage is a matter of opinion and taste. Good usage marks the difference between the vulgarian, the writer of jargon or the civil servant, and the good writer. Taste cannot be taught, though some of its tricks can be imparted by a teacher; good taste in writing is a matter of cultivation and subtle feeling. It admits of few rules, because good taste is altered by circumstances. The Evanses show this — though they do not say so—in their book by frequently refusing to take their own advice.

Their book includes good grammatical instruction (on the Jespersen plan), but in their introduction they speak of 'an elementary student' when they mean a be-

Cornelia and Bergen Evans: Lively and a little cranky.

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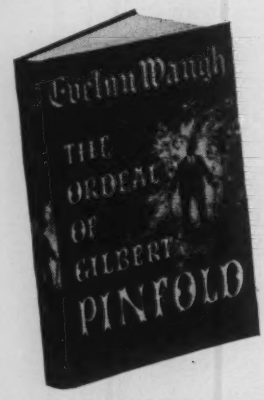

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ginner or a novice—for though technically correct their usage could cause confusion. They write very sensibly about snobbery under the heading 'woman', but they speak elsewhere of 'ladies' underwear'—as though women did not wear it. But are the Evanses bad writers because they make slips? By no means. Even the austere Fowler made a few slips in his own great book. English is a maddeningly hard language to write with even approximate correctness, partly because what is possible and even preferable in spoken English drips blood and stinks of sin in written English, and whatever the foolish may say to the contrary, the spoken and the written language are not interchangeable unless accuracy is to be sacrificed.

The Evanses fall foul of some usages which have an illiterate sound in a Canadian ear. They half excuse the use of "anyways" and "anywheres" on the grounds that they are heard in the speech of educated people. Of educated people whose parents were also educated, one wonders? Most people retain in their speech some ancestral fossils which display their origin. They defend "Sakes!" and "Sakes alive!" because honored and beloved old ladies used them, and they may therefore be considered "old-fashioned rather than uneducated". Bosh! Is this an excuse for "Heaven sakes!" which is so commonly heard today, from ladies neither honored nor beloved? We may quarrel also with some of their preferences. They think "to take umbrage" is a fine phrase, but they consider "between Scylla and Charybdis" a cliché; this is merely arbitrary. They say that "Is Saul also among the prophets?" is often asked, in humorous amazement. Perhaps it is asked in the Evans' circle, but not in mine; indeed I wonder if my own experience is common for I find that few people, including many who are ostentatiously religious, are capable of recognizing any but the most commonplace Bible quotations.

The Evans book is very good on the handful of words which are indecencies in either England or the U.S.A., and which trip the unwary traveller. In England a young lady of lily purity may tell her vicar that her manager knocked her up to get her screw (meaning that he called her early to receive her salary) but if an American friend tells her that her work is all balled up she may slap his face; the GI who courts an English girl may call her "sweetie-pie", but he must not absentmindedly call her a tart. In this subworld the two streams of English are distinct indeed.

But if the Evans book were reduced to those entries which mark real differences in usage between the U.S.A. and England it would not fill 567 pages; I doubt if it would extend to 56. The remainder is first-rate entertainment, but it is not necessary to the declared purpose as set out in the book.

So also with Miss Nicholson's book, which seems to be Fowler for the Impatient. In her preface she explains that "many of us today, English and American, have neither time nor the scholarship to follow through the fascinating but sometimes exasperating labyrinth of Greek and Latin parallels and Fowler's Socratic method of teaching by wrong examples". I think this is silly. It is not so long since 1926 that we need talk of "today" as though it were some new and bustling age, when our busy lives rebuke the pastoral ease of Fowler's. People who have not the time to puzzle over Fowler need not think they will learn to write English well, for that is a slow business. The mention of scholarship brings Miss Nicholson to a point from which she hastily sheers off; her book is not precisely a Fowler For the Kiddies but it is Fowler for people whom H. W. Fowler did not choose to take into account—the hasty, the arbitrary and the half-educated who want rules rather than reason.

Fowler taught by reason, pedant and fusspot though he sometimes was. It is only by the exercise of reason that we can learn to prefer one usage to another; if we simply take the word of a reference book we are forming, not a style, but an iron cage within the bounds of which we shall write. We may write correctly in our cage but will we write as well as if we truly knew what we were doing, and why? Is not the yearning for a safe cage, for correctitude rather than suitability, a mark of the second-rate writer and the second-rate mind?

Miss Nicholson's book has a place on the desks of the hasty and those who would rather be told than taught. She has done her work well. But I hope that her book will lead at least some of its users to the vastly better book of which it is a version.

A Dictionary of Contemporary American Usage, by Bergen and Cornelia Evans—pp. 567—*Random House—$7.50.*

A Dictionary of American-English Usage, by Margaret Nicholson—pp. 671 — *Oxford University Press—$5.50.*

Pervading Gloom

Saturn: An Essay on Goya, by Andre Malraux—pp. 184, splendid illustrations in colour and monochrome—*Doubleday—$10.00.*

EVERY COLLECTOR of art books will want this fine volume, which is produced in the best manner of the Phaidon Press, and includes a collection of Goya reproductions, many of which are not easily found elsewhere. The text of the book is a long essay by Malraux, in which he attempts to analyze the dark mystery of Goya's later paintings and drawings—

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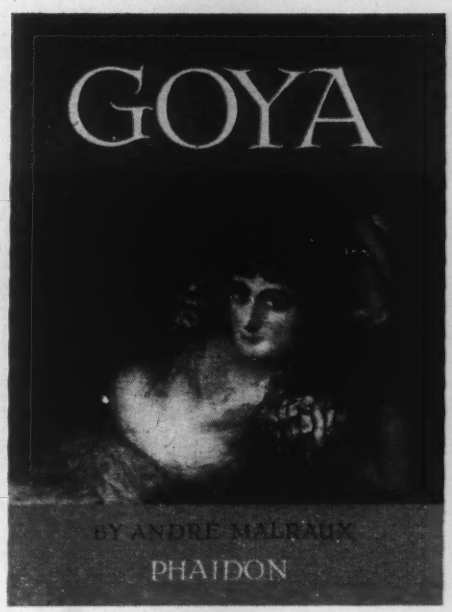

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those hundreds of studies of agony and misery, and personifications of brutality and evil.

The tone of the essay is the brilliant, romantic and extremely personal one which is familiar to readers of Malraux' criticism; it is exciting and compelling, and it unquestionably illuminates the character of Malraux; but if we look at these amazing pictures with our own eyes, we do not experience them as he does; our own ill-defined phantoms of evil attach themselves to Goya's symbols. And the picture which gives the book its name —the representation of Saturn, old Time, gnawing with mindless rage on the body of a human creature, speaks to us all, and to each with an individual voice, if we have any feeling for art.

We are glad to read Malraux, for himself; but as soon as our eyes stray to the pictures we cannot permit anyone to come between us and the gloomy genius of Goya. S.M.

Uncharted Path

The Art of Marriage, by Mary Macaulay — pp. 127 — *Penguin Handbooks* — *50 cents.*

A BOOK on this subject by a medical doctor who is also a magistrate promises well, but unhappily this handbook falls below the usual Penguin standard. It says too little about the physiology of marriage to be of use to any but the most incurious of adults, and it is further hampered by its lack of pictures or diagrams. It deals with marriage as an art in terms of general advice to be kind and forbearing, and not to expect miracles.

But when there are so many better books on this subject on the market, this one has nothing much to recommend it except its price, and a general kindly air of common sense. B.E.N.

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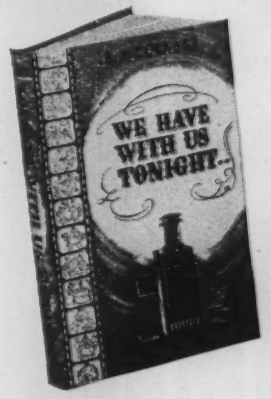

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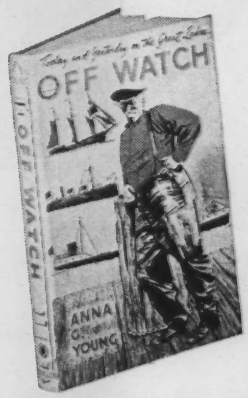

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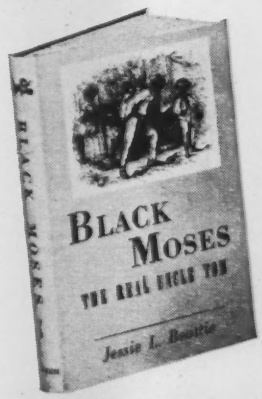

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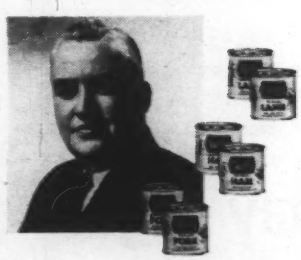

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Alcoholics

CONTINUED FROM PAGE 11

4) The alcoholic begins to lose control —he starts out to have one or two drinks and consistently winds up drunk.

5) The alcoholic begins to think up excuses for his drinking.

6) He begins to need "eye-openers" in the morning to face each new day.

7) The alcoholic chooses to drink alone, preferring the private, distorted world of his own imagination.

8) He becomes anti-social — not just avoiding other people, but picking fights with them.

9) Real benders occur — periods of blind, desperate drinking during which the alcoholic will do literally anything to get more alcohol.

10) Deep remorse and deeper resentment — the alcoholic at first condemns himself bitterly and then turns to hating the world and everyone in it.

11) A deep, nameless anxiety, a vague fear of retribution attacks the alcoholic and stays with him.

12) The alcoholic finally realizes that drinking has him licked—his ecuses for drinking no longer satisfy even himself. He struggles to solve his own problem.

13) He gets help . . . or he faces a complete breakdown.

Since the medical fraternity began to treat alcoholism as an illness (and this, generally speaking, is only within the last 15 years), there have been many research and treatment projects carried out with the aim of bringing the alcoholic through the acute phase of alcohol withdrawal. They have involved the use of various medications, the dosing with barbiturates, insulin shock, massive doses of multiple vitamins, glucose preparations, and tranquilizers. In Ontario the Alcoholism Research Foundation has been the prime government agency in research of this kind, and today its treatment of the acute alcoholic is looked upon as the definitive method evolved to date in this country.

Dr. Armstrong outlines this method of treatment: "Frequently a patient's first contact with us is at the end of a long, serious drinking bout and he is in severe physical distress and mental confusion. Our arrangement has been to admit such cases to one of the general hospitals in Toronto, where they will remain usually for a matter of 48 hours. In the absence of serious physical disability such as peripheral neuritis, cirrhosis or cerebral deterioration, it is generally possible to bring the patient to a point where he is ambulant and suitable for rehabilitation treatment within this period of time."

Dr. A. M. Park, physician on the staff of Toronto Western Hospital, wrote in a report carried in the Canadian Medical Association Journal last year, "The studies described here have been carried out with 30 typical alcoholic patients admitted to Toronto Western Hospital under the Alcoholism Research Foundation's program. Treatment was limited to the use of insulin intravenously, combined with 50 per cent glucose solution . . . For the most part, this single treatment was all that was required by the patient. A sedative dose of choral hydrate was given at bedtime in most instances . . . Insulin is certainly a sedative, and in most cases evokes a return of appetitie, and satisfactory eating habits. The psychological effects of a severe insulin reaction must be very impressive to the patient. Ten patients had reactions in which there were convulsions, simple coma, hallucinations, and wild, delirious behavior. The immediate after-effects of the insulin reaction were a general state of exhaustion and quieting down of the patient, and arousal of the appetite. If intoxicated they soon become quite sober and co-operative. Sleep was often easily obtained. Ten of these patients were discharged on the third day, and all were discharged on the fourth day in good or excellent condition."

After the alcoholic patient is discharged from one of the three Toronto general hospitals where the Foundation reserves beds, he goes to Brookside Clinic as an in-patient, or is discharged to the outpatient clinic or to the care of his family physician. The treatment at Brookside consists of a three-pronged approach, physiological, psychological and sociological. Physically, the patient is in much better condition than when he was admitted to the general hospital "snake pit" as the wards are called by the alcoholics, and the physiological treatment consists mainly of feeding him a well-balanced diet reinforced with multi-vitamin-mineral preparations and high protein supplements.

For the patient who, for various reasons, is unable to go to hospital, convalescence must be undertaken at home. Dr. Park describes the kind of treatment he or she should receive there.

"The patient should be kept as quiet as possible, in the part of the house that is remote from disturbance. Visitors should be generally prohibited, especially well meaning relatives and friends who are likely to 'preach' at him. His prime need is for an adequate diet and restful sleep. Fluids should be given ad lib, especially fruit juices of all sorts. All possible inducements to eat should be used, and the food should be attractive and well served. An injectable mutiple vitamin preparation may be given for a few days. As most patients will be tense and tremulous, some method of quieting them is usually necessary. The question of administration of sedative is a very tenuous one and is often abused by patient and physician. Barbiturates or similar preparations are dangerous at any time to an alcoholic. If they are not under the control of the patient, if they can be limited to a bedtime sedative, and if they are given in a dosage which will make the patient sleep, such drugs as nembutal, seconal or chloral hydrate can be given. The dose used by us is at least twice that required for a normal patient.

"During the day a non-intoxicating substance such as Tolserol in tablet form, in doses of .05 to 1.0 grain every four hours may be given. This drug is often a help in quieting the 'shakes' and certainly has a psychologically re-assuring value. Headache and gastro-intestinal distress are common in this stage and should be treated symptomatically with mild analgesics and antacid preparations."

It is the consensus among medical men today that the diseases of the alcoholic may well be caused, not by the alcohol itself, but by dietary deficiencies that follow a long drinking bout in which a minimum of food is eaten.

Recently, further studies on the vitamin-calorie balance in the alcoholic by Dr. Cowgill of Yale University has shown how the vitamin-calorie ratio is disturbed when an individual derives a major part of his calorie intake from liquor rather than from useful foods. Even in a person who eats regularly while he is drinking heavily, the balance is disturbed. For years doctors who treated alcoholics wondered why some of their patients who ate regular meals still suffered from dietary deficiency diseases, and it was not until Dr. Cowgill discovered that the calorie-vitamin balance in these patients was disturbed, that an answer was forthcoming.

There is no cure for alcoholism, and an alcoholic will be an alcoholic until the day he dies. Also, there is no way for the average drinker to tell whether he is a potential alcoholic or not until he passes from social drinking to problem drinking. Though family doctors, and government and private clinics treat many thousands of alcoholics annually, the great majority of people suffering from this disease treat themselves, "taper off", or stop drinking altogether. Once acquired, the only way the disease can be halted is through stopping drinking, which of necessity must be a voluntary act on the part of the alcoholic himself.

It is impossible now to ever reduce the figure of 190,000 alcoholics in this country, but we can keep the figure from growing. The 190,000 alcoholic Canadians, if they became sober ones, would be re-absorbed into alcoholically normal society without a ripple on its surface. For the sober alcoholic cannot be differentiated from anyone else, not even by minute examination. An alcoholic, when sober, is not a problem at all.

Believe it or not, you'll likely earn more than that during your working years.

So the big question is: How much of this will still be yours when you decide to retire? Or have to?

You owe it to yourself to make sure you keep enough.

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Gold & Dross

The Noranda sales enterprise—How oil and natural gas compete—Uranium stocks at current prices—The market for pipe.

Consumers Gas

Should the rate cut which Consumers Gas announced recently make one less hopeful for future earnings of this company? If natural gas has the possibilities which have been discussed for it, why do they have to cut the price? — O.M., Sudbury.

All commodities have to compete with each other. Thus in the field of fuel there is competition between the three principal forms in which heat is stored: coal, oil, gas. Oil and gas must not only compete with coal for the buyer's dollar but with each other. Consumers Gas cut the price of natural gas in order to encourage more people to convert from oil and coal. It presumably hopes that the rate reduction, estimated at $1,000,000 a year, will increase sales to a point that this amount will at least be recovered through increased sales.

This is the fourth voluntary cut made by the company since natural gas replaced manufactured gas in its system in February, 1955.

An odd feature of competition between oil and natural gas is that the latter occurs as a secondary objective in drilling primarily for oil. The possibility of a consolation prize in the form of gas being encountered might encourage a search for oil in an area close enough to a gas trunk line to make gathering of the gas economic. Where there is no gas trunk line, gas is got rid of by flaring.

United Asbestos

Could you tell me something of the position and outlook of United Asbestos? — W. F., Windsor.

United Asbestos originally held a property which Lake Asbestos of Quebec, a subsidiary of American Smelting and Refining Co., is developing under a profit sharing agreement. After repayment of capital, profits are to be divided so that United Asbestos will receive 50% on profits under $3 per ton and on a sliding scale to 60% when profits are $5 a ton or more.

A considerable portion of the project is a lake-drainage and silt-removal program. The deposits underlie the waters of Black Lake in the Thetford area, Eastern Townships district, Quebec. Bedrock was as deep as 200 ft. below the original lake level.

This is a $32.5 million project including plant construction and pit preparation. It is well up to schedule and remaining within budgeted expeditures. The main mill structure is completed and installation of milling machinery is underway. The whole plant is rated at 5,000 tons per day and is slated to start production during the latter half of 1958.

Ore reserves are estimated at 48,000,000 tons to a depth of 500 ft. The mill and surface buildings have been so located that any underground operations will not undermine their foundations.

Noranda

What was the significance of the technical-sales conference of Noranda's export people in Montreal? It was followed by Noranda stock firming up. — J. H., Toronto.

While the Noranda conference has great implications for the company, any connection between it and the stock firming up can probably be disregarded. Most copper stocks advanced at the time because of a slight increase in the price of the red metal.

The conference points up the aggressive approach to world copper trade which Noranda has, and emphasizes the company's growing importance as a fabricator of copper.

Most students of investments are aware of Noranda's position as a producer of primary copper, both at its original Horne mine and the subsidiary Gaspé Copper Mines. What has, however, escaped the attention of some is the extent to which the company has built up secondary operations. Noranda must be regarded partly as a manufacturing operation rather than as a copper producer exclusively. Readers of these columns are already familiar with the subsidiary Canada Wire & Cable, an old-established firm. Of newer vintage is Noranda Copper & Brass Limited, which staged the Montreal conference.

The growth story of Noranda Copper & Brass is among the most spectacular

in the industry. In 1947, Noranda Mines and Bridgeport Brass Company of Bridgeport, Conn. joined hands to pick up a plant built during World War II next door to Noranda's big copper refinery to produce brass shell casings. Bridgeport Brass supplied the management and technical know-how.

Now, 10 years later, the physical size of the brass mill in Montreal East has doubled. Noranda Copper & Brass has opened warehouses in Toronto and Vancouver, and sales offices in principal cities across Canada.

The latest round of expansion has elevated Noranda Copper & Brass to a status comparable with the top North American producers of copper and copper alloy mill products. A new tube-mill building, representing a 50% enlargement in over-all manufacturing area, has been completed. It houses new equipment for turning out extruded and drawn seamless tubing. Dimensional range of tube production has been enlarged and extra capacity is now available for specially engineered copper alloy products.

Noranda Copper doesn't intend to sit back and wait for new markets to develop. Its sales management is placing new emphasis on technical sales.

Noranda has new copper applications up its sleeve. In one instance, copper's easy formability will be combined with another metal's special qualities. In another, copper will be protected from a highly corrosive atmosphere with a plastic coating.

From the foregoing it is apparent that earnings from improvement to value of metal may loom larger in the Noranda dividends.

Uranium Stocks

What do you think of the uranium at current prices? — M. J., Port Arthur.

While it is difficult to see in the uranium situation anything which would engender substantially higher prices for the industry's equities in the near term, it is also difficult to be bearish about them. From a stock market standpoint, one might say that an irresistible force and an immovable object appear to have met. The buying in the market seems to emanate chiefly from the well-heeled, who are going to market chiefly because uranium stocks are intrinsically cheap, while the supply comes from those who bought in away back and want to take some tax-free profit.

Expanding on the intrinsically-cheap theme, a little pencil and paper work will reveal several cases in which the market capitalization of the uranium does not exceed the amount of money which the companies can earn in fulfilling their government contracts. Thus, depending on the stockholder's tax bracket, the equity would pay itself out by the time the contract had

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THE CANADIAN
BANK OF COMMERCE
DIVIDEND NO. 283

NOTICE is hereby given that a dividend at the rate of thirty-five cents per fully-paid share on the outstanding Capital Stock of this Bank has been declared for the quarter ending October 31, 1957, payable at the Bank and its branches on November 1, 1957, to shareholders of record at the close of business on September 30, 1957.

Subscribers to new shares are reminded that they will rank for this dividend only in the proportion that the amount paid upon such new shares at the record date of September 30, 1957, bears to the subscription price of $30.

BY ORDER OF THE BOARD
J. P. R. WADSWORTH,
General Manager.
Toronto, September 6, 1957.

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LOBLAW COMPANIES LIMITED

Notice is hereby given that a dividend for quarter ending November 30, 1957, has been declared on the capital stock of the Company as follows:

Preferred Shares Cumulative Redeemable	60 cents per share
Class "A" Shares	10 cents per share
Class "B" Shares	10 cents per share

The dividend will be payable December 2, 1957, to shareholders of record at close of business on the 6th day of November, 1957. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.

R. G. MEECH,
Secretary.

Toronto, October 3, 1957.

LOBLAW GROCETERIAS CO. LIMITED

Notice is hereby given that a dividend for quarter ending November 30, 1957, has been declared on the capital stock of the Company as follows:

First Preference Shares, Cumulative Redeemable, Series "A"	37½ cents per share
Second Preference Shares	51½ cents per share
Common Shares	51½ cents per share

The dividend will be payable December 2, 1957, to shareholders of record at close of business on the 6th day of November, 1957. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.

R. G. MEECH,
Secretary.

Toronto, October 3, 1957.

expired, leaving the holder in the uranium business at a cost which could have been largely liquidated.

There is additionally the possibility that further government contracts will be placed, prolonging the period of guaranteed prices. The holder must, however, ultimately face the fact that uranium is a new material which will require many changes on the part of industry and the solving of problems associated with its use before being widely accepted. What it probably needs as much as anything else to establish itself in civilian use is a free market so that prospective consumers can study the economics of its application as they now do with other materials.

Disposal of atomic wastes remains an important hurdle for the uranium industry to leap.

Frobisher

Is Frobisher making any progress? — D. V., Ottawa.

The decline in base metal prices has reduced the profit margin at the several base metal producers in which Frobisher Ltd. holds an interest.

Fortunately there has as yet been no reduction in the company's dividend revenue as a result, but this must be anticipated if the present level of base metal prices is maintained or the downward trend persists further.

The consistent profits being earned by the gold mines in which Frobisher holds an interest are welcome sources of income.

Page-Hersey

What is the outlook for Page-Hersey? — W. D., Winnipeg.

Page-Hersey has become Canada's foremost producer of pipe and one of the largest concerns in North America devoted exclusively to the manufacture of pipe.

The company's annual report for 1956 showed total assets at the year-end at $47.1 million — after depreciation of fixed assets — and net profit at $5.9 million, up $1.8 million over 1955.

Further marked growth in both the domestic and export business of the company is forecast by officials. In the first six months of this year the company's export sales, which during and since the war had dwindled to virtually non-existent proportions, rose to 4.45 per cent of total shipments. This compares with 0.65 per cent in all of 1956 and 1.06 per cent in 1955.

Still better improvement in export business toward the pre-war level of about 20 per cent is seen, especially if removal or diminution could be achieved of the handicaps of the exchange premium on the Canadian dollar and import restrictions and other curbs imposed by other

countries. There is an increasing demand for pipe products in export markets, particularly in the larger sizes that Page-Hersey is now equipped to produce.

Appraising the outlook for sales in Canada, officials predict that over the next two years, at least, the pipe business in Canada will begin to operate on a different plateau than ever before. They cite recent reports estimating outlays of hundreds of millions of dollars for development of natural gas pipelines and distribution systems, for new industries utilizing natural gas, and for development of production of iron ore, aluminum, nickel and other metals — all large users of pipe.

Page-Hersey has a joint interest (with Steel Company of Canada Ltd.) in Welland Tubes Ltd., the first and still the only maker of 20-inch to 36-inch pipe in Canada. These sizes are used extensively for pipelines and ancillary operations.

Since establishment of the present Page-Hersey enterprise in 1902, its steel consumption has swelled from 6,000 tons a year to a prospective consumption next year of around 1,000,000 tons (including usage by Welland Tubes Ltd. and a new mill to get into operation early next year).

This potential is equivalent to nearly half of last year's total output of Steel Co. or about a fifth of all Canadian steel production.

Standard Paving

Anything new on Standard Paving? — L. S., Hamilton.

Standard Paving & Materials Ltd. has acquired all the capital stock of Guelph Sand & Gravel Ltd. and Curran & Briggs Ready-Mix Ltd.

Guelph Sand & Gravel is engaged in the production of construction aggregates, and Curran & Briggs supplies concrete mix in the Oshawa, Whitby, Bowmanville, Pickering and surrounding areas.

These purchases have been financed with company funds.

Shareholders Lists

I read where shareholders of one company had difficulty in getting a list of other shareholders with whom to communicate. Under what conditions does a company let shareholders see who their companions are? — B. L., Edmonton.

Since a Canadian corporation can be incorporated under federal laws or under the jurisdiction of any of the 10 provinces, a discussion of the possible legal position on shareholders' lists is rather a large order. It may, however, be said that the intent of laws making the identity of shareholders a hush-hush affair springs from the desire of legislative bodies and securities commissions to protect investors from the machinations of the un-

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THE SHAWINIGAN WATER AND POWER COMPANY

NOTICE is hereby given that the following dividends have been declared:

NO PAR VALUE COMMON SHARES DIVIDEND NUMBER 201

A dividend of seventeen cents (17c) per share for the quarter ending September 30, 1957, payable November 25, 1957, to shareholders of record October 15, 1957.

NO PAR VALUE CLASS "A" COMMON SHARES DIVIDEND NUMBER 3

A dividend of thirty-three and one third cents (33 1/3c) per share payable November 15, 1957, to shareholders of record October 19, 1957.

NOTE: The foregoing dividends are after giving effect to Special By-Law No. 8, approved by the shareholders September 25, 1957, subdividing the Common shares and the Class "A" Common Shares of the Company on a three for one basis.

By Order of the Board

R. R. MERIFIELD,
Secretary.

Montreal, September 30, 1957.

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scrupulous stock peddler. Any shareholder with a legitimate reason for communicating with fellow shareholders might have legal hurdles to leap but he can probably ultimately learn their identity and communicate with them.

Prior to the enactment of laws making trafficking in shareholders' lists illegal, they were standard equipment in promotional circles. They served as a basis for direct-mail advertising of dubious securities and were prominently identified with boiler-room operations. Their existence served to encourage the entry into the securities business of undesirable characters.

Sweet Grass

CONTINUED FROM PAGE 7

in the U.S., he would have to let the S.E.C. look at the whole deal. Sam preferred not to do this. On the other hand, if he were offering stock under secondary distribution it would not have to undergo the S.E.C. scrutiny. The trick was to make stock issued directly from the company's treasury—and which he controlled—appear to be stock that had already been sold to the public, bought back on the open market by persons not connected with Sweet Grass and then offered for sale again.

He succeeded—at least long enough to sell the Sweet Grass stock. The measure of his success is the outraged howls from the S.E.C., the U.S. federal agency for policing securities operations.

The story of Great Sweet Grass Oils Ltd. starts March 5, 1954 when shareholders voted to recapitalize and add "Great" to the company's old name of Sweet Grass Oils Ltd. The 5,000,000 old Sweet Grass shares were put through the wringer and came out as 1,000,000 Great Sweet Grass shares. Authorized capital was upped to 3,000,000 shares. Sam, who had gained control of the company about three years earlier for $150,000, had started to operate.

Nov. 1, 1954 the stock was listed on the American Stock Exchange in New York. The listing statement said, in part, that the company "is presently primarily engaged in the exploration and development of oil and natural gas lands in Canada and recently to a small extent in the U.S." The company applied to list 2,000,000 common shares.

At this stage, Sam was, nominally, just the company's solicitor. But in effect, he, personally and through association, controlled the company.

The officers of the company then included J. W. Maynard, president and managing director, Colin A. Campbell, vice-president and director, and John Allen Gilbert, director.

Feb. 2, 1955 the company announced it had acquired management control of

CONTINUED ON PAGE 38

Register

CONTINUED FROM PAGE 13

He had met Mr. Neville only recently, through a mutual friend."

Neville himself says he is vice-president of the company although his name is never mentioned in press releases or official records and he said he proposed shortly to "move over to the editorial side."

"I was born in Toronto," Mr. Neville says, "although I have spent most of my life in the United States. I have a sort of mixed citizenship."

He conceded there was "some American money" behind the scheme although it was "by no means the majority of the capital."

When he learned of SATURDAY NIGHT's investigation Mr. Neville protested and refused to supply any information about himself or his background on the grounds that "it has nothing to do with *The Social Register.*"

This is not Mr. Neville's first venture in publishing.

In 1954 while living at a hotel in Dundas, Ont. he conceived the idea of publishing a sort of super catalogue to be known as "The Armchair Shopper" which would consist of illustrations of advertiser's products presented in editorial style and would be sold by subscription across the country.

He interested writers, artists, photographers, architects and interior decorators from Toronto and Hamilton and sold them on the scheme over expensive dinners and bottles of wine. He exuded an air of affluence and spoke of a colonial mansion in Virginia. He claimed to be descended from a Toronto family of Nevilles who gave their name to a park and a street in the city.

Although some of the people working on "The Armchair Shopper" spent as much as six months of time on it, the magazine never saw print and some of them are yet to be paid for their work.

Although Neville's latest brain-child, The Social Register of Canada, is scheduled to be published Dec. 1, the trustees who were assigned the duty of supervising the list have never met and have never scrutinized a name.

If Neville were to meet his December 1 deadline the lists would have to have been completed by now, if not actually set in type.

A letter from the company's solicitors, Blake Cassels and Graydon, filed with the Ontario deputy provincial secretary on October 18, 1955—a little over two years ago—says:

"Membership lists of clubs will be used as the basis of the book and, in effect, the selection and procedures of these clubs will constitute the screening process."

In "special cases" where socially acceptable people didn't belong to clubs, the names would be procured from "people possessing local knowledge, such as social editors of newspapers."

If Neville had raided club membership lists for what the company handout calls "the names of those of (Canada's) citizens whose social prestige is an irrefutable warrant that they or their forbears have contributed significantly to her development" and had picked up some more from local gossip columnists, he would stand a good chance of making his deadline.

Editor Cherry, who is a likely candidate for *The Register* herself, as a graduate of the fashionable Bishop Strachan School in Toronto and a debutante of the 1935-36 season, describes a different editorial policy.

The book was being published by a group of public-spirited business men, she said. They would surrender all editorial control to the board of trustees. The trustees' job was to ensure that no unacceptable people muscled their way into the list. Candidates for listing would be recommended by a group of "arbiters", socially prominent people who could distinguish between blue-bloods and boors, who would serve without pay and who would remain strictly anonymous in order to free them from undue pressure.

"Wealth will have nothing to do with getting into the book," Mrs. Cherry said. "In fact a wealthy man is going to have to work a little harder to get in than other people. It's like the bit in The Bible about getting through the eye of a needle."

All full professors would go in automatically ("They're dandy people—don't you think? And they make such a wonderful contribution!") as well as members of parliament, judges, senators, high-ranking clergy, vice-regal aides and "anyone who has been recognized by the Queen—like QC's."

Family background was a big consideration, "If your grandfather signed the Act of Confederation you would go in automatically. Fine fathers and mothers have fine children, I have always found." A street cleaner could get in "if he was a gentleman."

"I can't describe a lady or gentleman but you know one when you meet one," Mrs. Cherry said. "I like to think that being a lady or a gentleman is a kind of birthday gift."

Mrs. Cherry said she knew all along that the publishers hoped to make a profit.

"I can't understand how there could be any misapprehension about that," she said. "Nevertheless, I think this is the most noble thing a publishing company has ever done!"

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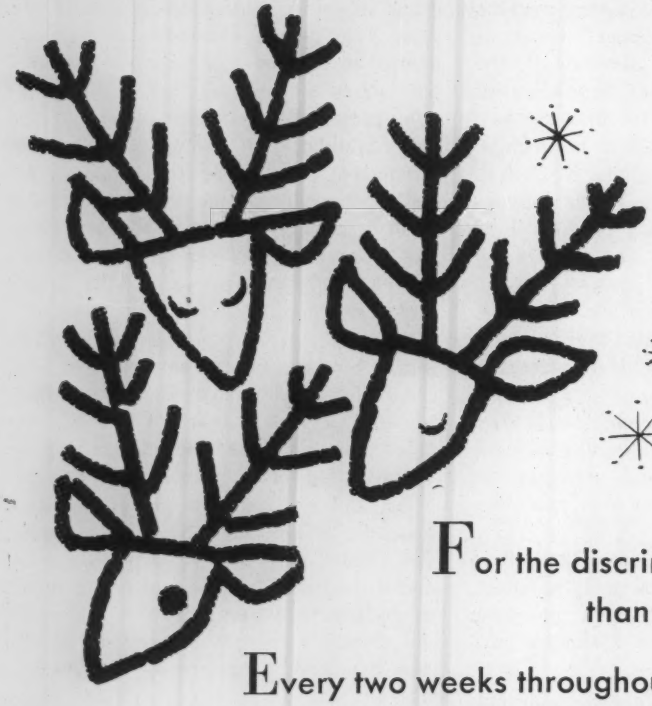
STETSON "Shaped-to-wear" hats make an immediate hit with smart men because they're completely *right* at the first "try-on". They come from the factory with creases and dents already moulded in—*where* they should be, *as* they should be. And Stetson "Shaped-to-wear" hats *stay* right indefinitely. They're "aquanized" against showers, incorporate traditional Stetson quality and value.

Stetson prices: $9.95, $11.95, $15 and up.

Smart "Shaped-to-wear" styles are also produced by MALLORY—a famous brand name since 1817, and one of the Stetson Group of Companies.

Stetson Viceroy "Shaped-to-wear"



Saturday Night

the distinctive Christmas Gift

For the discriminating there is no better choice for Christmas than a subscription to Saturday Night.

Every two weeks throughout the year, the new Saturday Night will remind your friends of your good taste.

Saturday Night Gifts are inexpensive too—You can give Gift Subscriptions to four of your friends for only $2.50 each.

ONE GIFT — $4.00 * TWO GIFTS — $6.50 * THREE GIFTS — $8.00 * FOUR GIFTS — $10.00
Each additional 1 year gift $2.50

These rates apply to Canada only. For gifts to Great Britain, U.S.A. and Commonwealth Countries add $1.00 for each gift; for all other countries add $2.00.

SATURDAY NIGHT, 73 Richmond Street West, Toronto

Please send Saturday Night for one year to each of the persons whose names are listed below.

- ☐ My Remittance for $..... is enclosed
- ☐ Bill me on January 19th, 1958
- ☐ Send Gift Cards to me for mailing
- ☐ Send Gift Cards direct signed in my name

My Name is .....

My Address .....

City ..... *Prov*.....

☐ *Please enter my own subscription*

NAME	ADDRESS	CITY	PROV.

Insurance

by William Sclater

In Case of Accident

What is the proper procedure to take when an accident happens whether I am at fault or the other driver? — E. L., Toronto.

People are often shaken up and excited by an accident, even when they are not at fault, and fail to get vital information. The first and most important thing after any injuries have been attended to is to establish the position of the cars at the time of collision. Some agencies issue small cards to their clients which have a map of a street area with intersections and show north, south, east and west direction.

These have a list of questions to be asked. First is the name and address of the other driver — make and licence number of his car — his phone number. The date should be noted and also the time. Is he an insured driver? Then comes a notation for witnesses.

I would recommend getting names or auto numbers of any witnesses first, before they leave the scene. If police are not already on the scene and the accident is serious enough, they should be called as soon as possible. Don't make irresponsible statements. Leave it to the law and your insuror to decide liability. Phone your insurance agent and report the accident as soon as possible.

Coverage Surveys

My insurance agent keeps telling me I need a survey of my insurance coverage. Isn't this just a sales promotion idea of his to increase my insurance coverage? What should I do? — D. S., Rothesay, N.B.

Have the survey made and see what he recommends. Maybe you do need more insurance. Maybe you don't, but you'll be in a position to know. If he does recommend something you don't take, it will clear his responsibility at any rate. Here's a case in point, where a survey showed an owner he should protect his house with a Homeowner's Package policy.

On a windy March Sunday, when the owner was out driving with his wife and two children, a fire started. Before firemen were called by a neighbor, the fire had a firm hold and it was probably lucky the owner and his wife and family were out because the fire chief doubted if anyone upstairs could have gotten out alive. It was entirely due to an agent's recommendation, made after a survey, that the owner received the adequate payment he did from his insurance coverage.

The house was insured in the amount of $25,000 on the dwelling but the loss paid by the Insuror was $32,576. This was made up of $25,000 for the house, a total loss; $7,000 for loss to contents and $576 for additional living expense (emergency shelter, etc.) There was some salvage of contents, which were covered for $10,000. The additional living expense, at six times $96 per month, took care of living quarters for the family until they found a new, permanent home.

Actuarial Statistics

Are the figures and tables used by life insurance actuaries in Canada based solely on Canadian experience or do our actuaries have access to world experience generally? — J. B., Toronto.

What actuaries find out from figures is reflected in life insurance rates and coverage so they are, to some extent, regarded as competitive. While Canadian experience would naturally be the determining factor in this country, actuaries do have access to world-wide figures and would undoubtedly use world experience also as a basis for trend, here and elsewhere. With Canadian companies operating also in so many other countries such world figures are important.

Picture Tube Hazards

Seems to me that television picture tubes are pretty hazardous things to have in a home. Isn't it true that they operate under great stress and have inherent explosive possibility? — J. D., Mocton, N.B.

Lots of things have inherent explosive possibilities. The picture tube is viewed by the underwriters as a highly-vacuumed irregularly shaped body that does not lend itself to easy mechanical stability when subjected to the forces and strains of its environment. There is a tremendous crushing pressure, between five and eight tons on the normal tube that must be opposed by mechanical design.

There is a good safety factor always present in normal operation. Real danger however is present when any incompetent person tampers with a defective tube. When a tube must be replaced note the warning on the Underwriters' Label and let a qualified service man handle it.

There are other simple precautions that should always be followed. Never attempt to twist, turn or straighten picture tube in its mounting. Clean picture tube only when protective window is removable by design and never do so when set is turned on. Never use harsh abrasives when cleaning face of picture tube and remove your rings when doing so. Do not move picture tube from its enclosure. Replace protective window as soon as cleaning operation is completed.

Portable Extinguishers

Where can I get some reliable information about the use and installation of portable fire extinguishers? — J. B., Vancouver.

Best source would be the Dominion Board of Insurance Underwriters, 460 St. John St., Montreal or from any of the eight Regional Underwriters Associations. They have available, free of charge, a publication entitled: "Standards for the Installation, Maintenance and Use of Portable Fire Extinguishers". This deals with purpose and scope and also requirements for the distribution of portable extinguishers according to occupancy. Check with them anytime on housing equipment you are interested in.

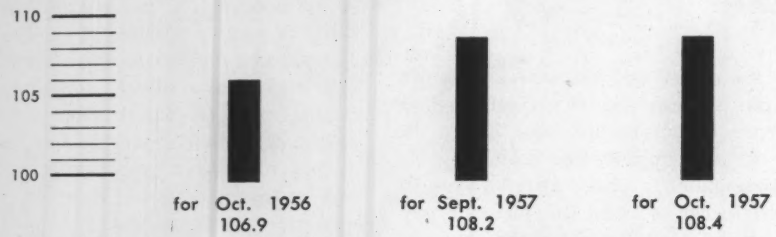
Insurance Certificate

I need an insurance certificate. Where do I get it? I understand I have to produce evidence that I am an insured driver or pay a special fee of $5 to the Unsatisfied Judgments Fund when I register my car. J. R., Hamilton.

The Ontario Highway Traffic Act was amended this year so that unless an automobile owner was able to produce evidence of Third Party Liability Automobile insurance a fee of $5 would have to be paid into the Unsatisfied Judgments Fund. What the government wants is more substantial evidence than the statement of the applicant that he is insured. What is needed is a Certificate from the insuror showing that, as of the date of issue, this insurance was in force.

There is no uniform insurance identification card so that you will have to apply to your agent or insuring company for a "Certificate". To qualify for such a certificate you must have Third Party Liability Automobile Insurance to the minimum of $10,000/$20,000 Bodily Injury coverage and $5,000 Property Damage. A simpler procedure may be worked out for next year.

Saturday Night Business Index for October



(Saturday Night's Business Index is a compilation of statistical factors bearing, generally, on Canada's gross national product. It is designed to reflect pace of economic activity. The base 100 is drawn from 1955 data.)

Indicator Table	Unit	Latest Month	Previous Month	Year Ago
Index of Industrial Production (Seasonally Adjusted)	1935-39 =100	284.0¶	283.9	292.9
Retail Trade	$ millions	1,203.2¶	1,252.4	1,185.1
Total Labor Income (Seasonally Adjusted)	$ millions	1,290¶	1,285	1,207
Consumer Price Index	1949=100	123.3‡	122.6	119.0
Wholesale Price Index of Industrial Materials	1935-39 =100	237.3‡	238.6	249.5
Inventory, Manufacturing Industry (Held & Owned)	$ millions	4,824¶	4,830	4,392
New Orders, Manufacturing Industry	$ millions	1,805¶	1,755	1,739
Steel Ingot Production	1000 tons	426.2†	418.0	443.8
Cheques Cashed, 52 Centers	$ millions	19,160¶	17,440	17,852
Imports for Consumption	$ millions	473.3†	482.5	473.6
Exports, domestic	$ millions	437.4†	449.3	427.1
Contract Awards (MacLean Building Reports)	$ millions	218.0‡	337.9	258.2

¶ July † August ‡ September

by Maurice Hecht

GROSS NATIONAL PRODUCT and profit figures for the first half of 1957 underscore the current economic levelling out. G.N.P. is running at $30.7 billion annually, rated a drop from the turn of the year. It is below the estimate on which ex-finance minister Walter Harris based his 1957 budget.

Profits before taxes for the first half are 4.6 per cent below those of the similar 1956 period. For all manufacturing the drop is 5.0 per cent. Sales in manufacturing, however, were up some half billion dollars. Net earnings were neck and neck, pointing up the cost-price squeeze.

Shipments in all manufacturing have continued to run ahead of a year ago while new orders, on the whole, show no decided dollar improvement. This leaves order books with less in them each month.

The industrial production index has fallen all year though the latest month shows a tendency to backpedal. The wholesale price index of key industrial materials plummets month by month.

On the other side of the picture total labor income goes up steadily. Average wages continue up and unemployment is well below the could-be-serious level. Money is being spent at a faster clip than a year ago as retail sales and cheques cashed show.

But there has been a slowdown in retail sales during the year. The percentage increase in dollars over the previous year is not far ahead of the increase in the cost of living during the same period. More money is being saved. Sales of new cars in the coming months will give a real clue to 1958.

Our external balance of trade continues negative although large monthly deficits have been absent recently. Deficit for the year, however, is a record.

In the main, 1957 still has an edge on 1956.

Sweet Grass

CONTINUED FROM PAGE 34

Canadian Oil and Gas. Co. Ltd. reserves through the purchase of 1,000,000 shares of company stock.

Sam was moving the deal. In New York, arrangements were being made to market the increasingly attractive stock. A trio of operators—George F. Rothschild, a minor league underwriter and broker, Charles M. Berman, a relative newcomer to the securities business, and Milton Shuck, a "boiler room" operator gravitated together. The company's capitalization had been increased to 5,000,000 shares from 3,000,000.

S.E.C. regulations state that stock coming into the U.S. under primary distribution must meet full disclosure provisions of the S.E.C.; stock under secondary distribution need not if it has been picked up on the open market or from a minority shareholder without controlling interest.

Robert Jordan, an Oklahoma oil operator, had met Sam in Toronto some time earlier. A deal betwen the two saw Jordan, principal stockholder in Depositors Mutual Oil Development Co. transfer a bundle of Oklahoma oil properties to Depositors. Jordan then arranged for Depositors to issue 1,750,000 shares of common stock. Sweet Grass then voted to acquire Depositors—using 1,750,000 newly issued Sweet Grass shares. Jordan benefited in the form of cash and 60,000 Sweet Grass shares; Sam to the extent of 1,690,000 new and eminently disposable Sweet Grass shares. The only Sweet Grass shares actually to change hands were the 60,000 paid Jordan. The other 1,690,000 were deposited in a trust account in Sam's name at J. P. Cannon and Co. of Toronto.

At the time Sweet Grass took over Depositors, Sweet Grass stock was trading at about $4 a share. By this deal, Sam had manufactured some $6,750,000 in Sweet Grass stock at a cost of about $2,000,00 in cash and $240,000 in stock.

Getting this Sweet Grass stock in marketable shape was simple. Deals were set up whereby it appeared Sweet Grass stock was distributed to Depositors shareholders bought up by other investors and resold over-the-counter at market prices. Thus, on paper, no violence had been done S.E.C. regulations.

The actual blow-off hit full speed late in March, 1956. The pattern was the usual "boiler room" technique. More stock was supplied through a deal with Pitt Petroleums Ltd. and as stock was sold the price rose attractively.

To help the deal along, Sweet Grass released geologists' reports of the properties it had picked up. The reports spoke glowingly of the oil and gas reserves.

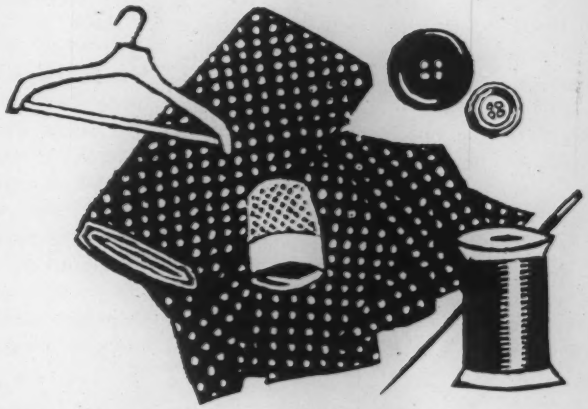
In any event, it looked to Sam as though

CONTINUED ON PAGE 42

In business after business . . .

BURROUGHS MICROFILMING BRINGS THE BIG RESULTS

GIVES DAIRY COMPANY IMMEDIATE ACCESS TO ALL REVENUE FACTS: "Burroughs combination microfilm recorder and reader speeds and simplifies route billing work, eliminates our route record storage problem, and is the nucleus of our records retention program."



REDUCES LABOR COSTS AND RECORD STORAGE SPACE FOR WHOLESALING DRY GOODS FIRM: "Our old filing method used 120 filing cabinets and 3-full-time clerks. Our Burroughs Microfilming uses only 10 cabinets and one clerk . . . wouldn't consider returning to the old method."

HOW MANY WAYS CAN IT HELP YOU?

SIMPLIFIES RECORD FINDING AND RECORDS RETENTION SCHEDULE FOR CITY GOVERNMENT: "Burroughs Microfilming helps us locate any record, indexed by subject and roll number, in seconds. Insures an unerring records retention schedule, too."

Here's a fact: This very instant, there are more ways Burroughs-Bell & Howell dependable microfilming equipment can be saving you time, space, and money than you ever thought possible. Proved savings like simplifying your filing system. Drastically reducing your record storage space. And slicing costly man-hours. Our local Burroughs Systems Counselor can show you its SPECIFIC, tailored benefits. Experience has taught him the management needs of both small and large businesses. Call him at our nearest branch office. Burroughs Adding Machine of Canada, Limited. Factory at Windsor, Ontario.

Burroughs

THE MODERN LOW-COST MICROFILMING SYSTEM

"Burroughs"—Reg. TM.

Sun and Sand

CONTINUED FROM PAGE 17

"housewives unaccompanied by husbands." These, undoubtedly, are the ladies who disport themselves in catamarans, outrigger canoes and surf-boards attended by beach-boys who look as though they were carved out of mahogany. At the moment they outnumber male visitors by 100 to 70 but tourist officials predict, a bit wistfully, that an increasing number of conventions will redress this untoward balance.

Most significant — and most gratifying —figure is the one showing that fully a quarter of the Islands' visitors are repeaters.

The reasons are obvious. First, the Hawaiian Islands are among the few tourist spots which live up to their advance publicity. The combination of balmy breezes, caressing sea, lazy guitar rhythms and what they call the "Aloha spirit" are well-nigh irresistible.

Second, the "new egalitarianism"—shorter hours, higher pay, longer vacations and cheap air travel—has brought Polynesia within financial reach of almost every wage-earner. A recent "Vancouver night" at a posh Waikiki Beach hotel attracted 365 guests. Printers and caterers rubbed shoulders with theatrical entrepreneurs, school teachers, ministers and lumber millionaires, and everyone had a wonderful time, brothers and sisters under the lotion.

Most Canadians travel to Honolulu by Canadian Pacific Airlines, which flies you out from Vancouver in eight hours and spoils you outlandishly in the process. Return fare, tourist, is about $250. It's $65 more if you go first class—which means a little more leg room, a glass of champagne and port with your supper, and gifts of a nylon duffel bag, package of cigarettes, and a souvenir jigger of whisky (one and two-thirds ounces) in an attractive miniature bottle.

From the moment he arrives, the tourist feels the insidious emanations of hedonism. As he steps from his plane, he will have a *lei* of orchids thrown around his neck and will be bussed by a dark-eyed Hawaiian charmer who looks like something out of a Bob Hope picture.

Within half an hour, as his taxi winds through an avenue of smart shops and stunning pastel-hued beach hotels, he will feel the kiss of the soft sea air, catch the first faint scent of hibiscus and oleander, and wonder audibly how long this has been going on?

He will, of course, have made his reservations in advance—and in this respect, there's something for everybody. If you prefer your swimming in a hotel pool, a couple of blocks from the beach, you can have it. If you want all the "comforts" of a city hotel, with conventions, elevators and drive-in garages, you can have that, too.

More and more visitors however, are coming around to the view that the ideal way to spend a Hawaiian vacation is to locate a small apartment hotel out Diamond Head way, where it's possible to exist for hours with little more than a bathing suit and a pair of sandals.

Though these are becoming increasingly popular, it's possible to establish such a beach-head for as little as $75 to $100 a week. In this way, it's possible to prepare your own breakfast and lunch in a stainless-steel kitchen nook and retain access to the nearby Kapiolani Park and Aquarium without having to worry about clothes. In the evening, you can "do the town" in your finest raiment.

The bulk of Hawaiian visitors, who stayed an average of 22 days in 1956, find plenty to do right in Honolulu. Predominantly, they can laze and swim. The more energetic will find first-class golf courses (where a local friend must put you up); an excellent museum; shopping facilities which range from bargain basements to salons worthy of Fifth Avenue and the Champs Elysees; and an endless variety of picturesque bays and watering spots where picknicking is fun and swimming is for the brave.

Generally speaking, food prices are a shade lower than Montreal, New York, New Orleans, or Toronto. The top restaurants seem to have arrived at an understanding: $5 for steak, $3.50 for a roast beef dinner, although you can pay more if you feel expansive and want to visit Canlis' Broiler, a superb estaminet with a tinkling waterfall and a white-jacketed pianist playing the obscure show tunes in the avant-garde style of Manhattan's music rooms.

Does it rain in the Islands? It rains—from as little as 12 inches (in a good year at Waikiki) to an incredible 460 inches, at a remote spot in an outer island which you probably won't see, anyway.

But let's face it: set down 2,500 miles from Canada, in the middle of the Pacific, you're a captive audience. In Honolulu, the rain disappears as quickly as it comes; and one swim in that clear, beneficent ocean will make you realize that home was never like this.

Industrial Impact

CONTINUED FROM PAGE 9

how well Canadians in some typical communities were adapting their physical and social worlds to the physical changes enforced by industrialization.

They talked with ministers and parents in church halls about the break-down of parental authority, drinking and TV crime dramas. They studied the problems created by conflicts between French and English groups in the same community and asked for a "vigorous program" to encourage English-speaking Canadians to learn French. They saw first-hand the problems involved in dealing with increased mental illness in industrialized communities. They pointed out the failure of some communities to wage an active program aimed at encouraging industry to settle in underdeveloped areas.

Other members of the Round Table tried to discover what gives a man status in a community and a feeling of success—the size of his house, an office in local government or in the union, leadership in social and recreational programs? They studied the tendency of people in some communities to conform to certain social and economic standards, partly out of necessity, partly out of choice and the problems created by families who are impelled to conform to standards above their means.

When they returned to the university's Senate Chamber following their two-day field trips, each team leader presented a report of the team's findings for discussion.

Many of the reports indicated that local governments were scarcely able to cope with the problems created by rapid industrialization without more help. Some saw industry as a kind of Frankenstein monster overriding the individual in spite of his attempts to adjust to his new environment. There was concern about the price the individual must pay in terms of mental health in making these adjustments. How far could people be expected to go in adapting to changes created by industrial expansion? At what point should progress be deliberately retarded or controlled in the interest of security and tranquility?

Many members felt their five-day conference had raised more questions than answers. Some of these questions will provide a starting point for new investigations by the university's researchers. Some may never be answered.

Sir Geoffrey told the Round Table's closing session:

"The material which this inquiry has left with us awaits analysis and challenges creative thought. The effect will be justified if it leads ultimately, however indirectly, to wiser action, based on better understanding of what is happening and a better evaluation of where we want to go. There is much we need to know; and there are different degrees of knowledge at which we can usefully aim and different methods by which we can seek it. But to find the answers is the last part of a scientist's job. He has the prior function of asking the right questions."

As the Round Table met this month to ask more questions they were moving steadily toward the answer to—or at least a better understanding of—an almost infinitely complex human problem.

Money

CONTINUED FROM PAGE 18

relate the term of the loan to the useful life of whatever it is used to finance. If you borrow for a three-month inventory, the loan should be on a three-month basis; if you borrow for capital equipment with an economic life of 10 years, the loan could be for a 10-year term.

How much a loan actually costs is vital to any decision to finance. The simplest way to find out is to reduce the costs —interest rates, minimum balances, collateral, mortgages, investigation charges and others—required by each source of credit to a percentage per year on the average available unpaid balance.

Minimum balance requirements, incidentally, serve to raise interest rates. For example, if you borrow $1,000 at 6% and must maintain a minimum deposit of $200 and repay interest and principal at the end of a year, you must pay $60 for the effective use of $800—an interest rate of 7½%.

A word about trade credit. It's expensive. If your supplier's terms are 3%, 10 days, net 30 days, you get a 3% discount if you pay within 10 days but if you pay later it costs the full amount. This means for 20 days extra credit you pay 3%—an annual rate of 54.75%.

So far so good. Now, if you have decided a loan is in your best interests, are you apt to get one? You are if:

Your sales volume yields an adequate margin over costs, including taxes.

There is enough ownership capital invested to provide the safety for the loan.

Your records and accounts are adequate to show the exact condition of your business.

As there are two main types of loans, short and long term, so there are, broadly, two classes of lenders.

The nine chartered banks are the main source of short-term loans. The banks' function here is to make working capital loans to business to buy inventory, carry accounts receivable and meet payroll and other expenses. Recently banks have also moved into intermediate credit by giving term loans of more than a year and by buying bonds and debentures.

Banks seldom make long term (more than five year) loans and are forbidden by law from making real estate loans except on residential mortgages insured by a government agency.

There are specific things a bank will look for before it grants a loan. First, you must be a good moral risk. This is especially important in small business. Your management ability must be evident and your business prospects must indicate there will be no difficulty repaying the loan. The bank will study your business record, operating expenses and the way your profits are used.

Demand loans under a line-of-credit arrangement are the usual form of business short-term loans. Under this arrangement you are allowed to borrow up to a set maximum for a stated length of time. The bank may demand repayment at any time. There are other types of loans. You may borrow and repay in one lump sum at the end of the period or by instalments during the term of the loan.

Bank term loans are arranged for investing in fixed assets and may be granted for re-arranging a company's finances, expansion or acquiring other firms. Repayment is usually from retained earnings and collateral may be bonds and debentures secured by a specific mortgage or lien on fixed assets and a floating charge on current and all other assets. Debentures may also be secured by a first floating charge on fixed, current and all other assets with an agreement that the borrower will not give a specific mortgage or lien on fixed assets without the bank's consent. The bank will probably also insist upon some restrictions on the operation of your business to safeguard its loan.

If you need a medium or long-term loan the Industrial Development Bank may be your best bet. The IDB was set up in 1944 to supplement other lenders by providing financing to industrial enterprises unable to get necessary funds at reasonable rates elsewhere.

The IDB is particularly concerned with the financing of small business. Loans secured by mortgage on plant and equipment are the most common lines of credit extended but the IDB also may share in or guarantee loans by chartered banks and purchase the securities of the borrower.

Some provincial governments maintain lending agencies.

In Alberta, for instance, treasury branches operate almost identically with chartered bank branches. The province, under the Provincial Marketing Board is also able to make large scale purchases of materials to be resold to manufacturers. This passes the advantages of large-scale purchases along to a small-scale consumer and frees part of his working capital. About 10-15% of the total inventory value is kept by the province and a 2% brokerage fee is charged.

New Brunswick grants loans to particular industries where the economy of an area would be improved as a result or a new process is introduced.

Newfoundland has an active program to aid new industries to establish and help existing industries to expand. Aid is in the form of guaranteeing bank loans or bond issues with the loan usually equalling the investment by the owner and is secured by a first mortgage.

Under Nova Scotia's Industrial Loan Act, loans may be made directly to industry, or guaranteed, from funds appropriated by the government as an Industrial Assistance Fund. There are restrictions upon the types of industry eligible. The loans may be used for acquiring land, buildings, machinery or equipment to establish or develop industries within the province. The company must invest at least as much as the value of the loan. Loans are repayable in instalments for not more than 10 years.

Grants, loans and loan guarantees are provided by Prince Edward Island to establish industrial plants to process agricultural, horticultural and fishery products within the province. Assistance is limited to 50% of total cost.

Quebec gives assistance when it judges the industry cannot reasonably obtain funds elsewhere. Applications are considered only from existing or potential industries likely to aid in developing the province's economy.

Saskatchewan, through its Industrial Development Fund, offers help to new industries establishing in the province. It offers loans or guarantees loans. The fund also grants loans to co-operatives engaged in any manufacturing, processing, industrial, financial or commercial business.

You may also borrow from trust, mortgage and insurance companies on a long-term basis. As far as mortgage loans to business are concerned, such lenders are interested in property with a variety of uses. They prefer not to lend where the premises are highly specialized. The lender will probably not grant more than 45 to 60% of the property's normal value. The term can be as long as 20 years.

Acceptance companies and finance and discount firms specialize in buying accounts receivable. Such companies, or factors, serve manufacturers and wholesalers that produce and sell items for which there is a continuing or repeat business—shoes, home furnishings and so on. They advance funds on a short-term basis and expect to convert the receivables into cash within 30 to 60 days.

Closely allied to factoring houses are the Commercial Credit, Discount, Acceptance or Instalment Finance companies. These companies differ from factors in that they do not buy receivables and usually do not furnish collection service or management advice. They lend money on the security of accounts or notes receivable very much as commercial banks. They also make loans secured by warehouse receipts as well as loans to finance equipment which may be used as security for the loans. These companies deal with manufacturers, wholesalers and dealers.

Credit unions are of growing importance in industrial borrowing. The usual security is a mortgage on buildings and equipment. Interest charges are usually around 8% on the unpaid balance and the term is usually less than five years.

Sweet Grass

CONTINUED FROM PAGE 38

things were going just right. But they weren't. On April 12, the stock broke sharply on unfounded rumors it would be suspended on the American Stock Exchange. It was an intimation of things to come. The S.E.C. had, in fact, started asking questions.

But there were more cards left in Sam's hand. The company's annual report released in June for the year ended Dec. 31, 1955 listed the company's total assets at $10,731,405, a startling jump from the $1,484,789 of the preceding year. The report also said the company now had a "secure income". It also said Sweet Grass was in the process of taking over Golden West Minerals Ltd. for 250,000 Sweet Grass shares.

The ax fell Oct. 25. The S.E.C. suspended trading in Great Sweet Grass on the grounds that the company had "misrepresented its oil and gas reserves as to properties acquired from corporations in Oklahoma and Alberta." For Sam, it looked like the end of the game.

The stock broke sharply both on the A.S.E. and in Toronto.

The S.E.C. was now demanding blood. It accused Sam and associates of fraud and invited them to testify at a hearing. Sam, who had slipped quietly onto the Sweet Grass board earlier, declined. There would be no point, he said, because he had resigned as an officer and director of Sweet Grass Oct. 24.

But Sam continued to fight. To the S.E.C. charge that he made $6,500,000 from the Sweet Grass promotion, Sam said he would sue for slander.

"That's an outright lie. I didn't make millions. I didn't make a dollar on these stocks," Sam said.

The Toronto Stock Exchange suspended trading in Sweet Grass May 1, 1957. It said it acted on receipt of a full report from the A.S.E. It had previously regarded the ruckus as merely a difference of opinion about oil reserves.

Now began a curiously spirited and vicious fight for control of the company. The plunge of the stock from around $6 to about 50 cents on the over-the-counter market looked to many people like an extreme reaction. The annual report for 1956 listed total assets of $11,149,303.

After Ciglen left the company, officially, Colin Campbell, described as a "close cohort" of Ciglen's by some shareholders, moved into the presidency. Severe criticism forced Campbell to the sidelines but he and his associates proposed a slate of officers. This slate comprised Thomas I. Anderson, Robert B. Berger, George Brussel Jr., James H. R. Cromwell, Frederick I. Malone, I. D. Robbins and Grover A. Whalen. Anderson and Malone are the only Canadians.

The opposing factions ultimately blended into a shareholders' protective committee which eventually lost a rugged proxy battle by 2,679,122 shares. Cromwell was named president.

Sam, who modestly protested that he was "just the company's lawyer" during most of the promotion, considers himself out of the picture. The Toronto Stock Exchange says there is little likelihood of Sweet Grass being reinstated as long as Sam has any influence on the company.

It is quite possible Sam is walking away from Sweet Grass to let it get back on its feet. But it's not likely he is idle. For example, there's a company called Cobalt Consolidated Mining Corp. Ltd.

Cobalt is planning to recapitalize. It wants to put its 3,500,000 common shares through the wringer to come out as 1,000,000 and then increase its authorized capitalization to 5,000,000. It also wants to change its name to Agnico Mines.

It says a U.S. group already has "substantial interests" in the company and will provide it with more funds if the reorganization goes through. There is talk of a new cobalt process and plant in the U.S. There was a press tour of the company's cobalt and silver producing properties a while ago.

Sam Ciglen is listed as the executive vice-president.

Markets

CONTINUED FROM PAGE 15

less went to the United Kingdom itself. The Canadian economy had burgeoned to new levels of gross national product, with the establishment of large numbers of secondary industries and a fresh surge in the exploitation of great national resources, particularly iron ore, base metals, petroleum, natural gas, aluminum processing and newsprint.

In the process of this almost explosive economic development not only was the proportion of the U.K. and Commonwealth trade affected but the political and social significance of economic relations with the United States also took on a new meaning for Canadian society. For what was happening was a great rush of U.S. capital to exploit the resources of Canada, to expand existing U.S. holdings in secondary industries and to share in the new manufacturing areas that were now very attractive to further investment. Thus the classical triangle of the pre-war years where Canadian imports from the United States were never fully covered by exports to them, but were met by our favorable balance with the Commonwealth and with Europe, that historic trading position was disappearing and in the present years of non-convertibility the disappearance was giving rise to many new problems.

Serious Canadians must have wondered just how far the process of U.S. ownership or control of Canadian resources and plants was to go.

Mr. Diefenbaker's motivations like all searches for answers on the level of high policy were a mixture of many claims. There were the traditional feelings of his Party for the Commonwealth; there was the concern for the size of U.S. ownership of Canadian resources and industries; there was a general irritation with some U.S. import policies toward Canada and, finally, and for him personally, there was most of all the wheat problem. Indeed, if a psycho-analytical approach were taken to these motivations, the stock piles of Western grain, languishing on the prairies, were probably the supreme symbol of his discontent.

Now the recent meetings in Mont Tremblant and Ottawa have done much to bring back his valid sense of protest to the level of realistic discussion. For Mr. Thorneycroft's offer of free trade, while embarrassing because of its immediate unacceptability, puts the onus on Canada to come up with some creative ideas as to how this 625 million or thereabouts of Canadian imports from the United States can be re-directed to the United Kingdom and the Commonwealth, and how at the same time wheat and other agricultural products can be sold to the U.K., the Commonwealth and Western Europe in sufficient amounts, and on good enough terms, to restore the vitality of the wheat economy.

These Canadian ambitions come at an awkward time for Mr. MacMillan's government. For as early as 1955 the United Kingdom, faced the prospect of six European nations joining in a customs and economic union, from which the U.K. industrial products would be excluded by the common tariff of that union, recognized that this was a grave turning point in the economic relations of Britain to the continent. For 28% of all British exports in 1956 went to the O.E.E.C. Europe. Within this total 13½% went to the common market countries and 8½% to Scandinavia. At the same time only 5.5% of British exports went to Canada—although 16.7% of all Canadian exports were sold to the United Kingdom. At the same time Britain remained the center of a great trading and financial system for out of her total exports in 1956 of £3318.5 million only £258.9 million went to the United States, £241.2 million to Australia, £182.3 million to Canada and the rest to Western Europe, the Commonwealth and the world.

Britain therefore is caught in a three-way economic-political dilemma. She does not wish to be cut out from the growing market that will emerge among the 163 million people in the custom union of the six nations or the 285 millions embraced by O.E.E.C. She cannot afford to

ntagonize the Commonwealth for both economic and political reasons since a large part of her sterling area's strength rests on Commonwealth support, and this means imports from Commonwealth countries particularly of primary or semi-processed products. Finally, she wishes to maintain some connection of economic significance with Canada although in terms of British exports Canada is far less significant than the United States, Western Europe, to say nothing of the rest of the Commonwealth.

Indeed, Canada is something of a problem to the U.K. As Canada matures industrially she comes to resemble closely the United States in her needs, demands and manufactures. Her currency is independent of and stronger than sterling and there are many problems for British manufacturers in any attempt to refashion themselves to fit and service the Canadian market in machinery as well as durable consumer goods. For all of these reasons, if the U.K. has to make a choice between plans to maintain her sterling area well integrated and to forge new links with Europe as compared with developing a politically satisfying but economically difficult and possibly not too meaningful expansion in Canada, Britain will necessarily choose the sterling area and Western Europe. By choosing I mean she will emphasize her gains there rather than take new risks or put forward fresh efforts to satisfy this new Canadian search that would help solve Canadian wheat surpluses in particular and revitalize Canadian - Commonwealth political - economic relations in general.

Already Britain has indicated where she believed her true interests lie. The White Paper issued in February of this year proposing a European Free Trade Area (F.T.A.) to be fitted within O.E.E.C. and to embrace the six powers who are members of the Common Market projects the idea of a free trading area uniting all of the O.E.E.C. members although each would retain its own tariff against the rest of the world. But F.T.A. excludes from free trade agricultural products so important to Commonwealth suppliers and the U.K. estimates that 90% of present agricultural purchases from the Commonwealth would remain unchanged by this arrangement. As the White Paper stated: "the United Kingdom must be free to continue the preferential arrangements which apply to imports of foodstuffs from the Commonwealth." In effect the U.K. was proposing a European *industrial* Free Trade Area and paragraph 16 of the White Paper frankly admits it.

In all of this the Canadian stake is a mixed one. Clearly we desire to keep our agricultural export position in the United Kingdom as favorable as possible for out of $813 million sold to her in 1956 by Canada $331 million was made up of agricultural and animal products. At the same time Canadian exports to the United States in 1956 were $2879.1 million, while to non-Commonwealth countries they totalled $920.3 million, mostly to Europe. Significantly Canada has a larger stake in non-Commonwealth European trade than she does in her total Commonwealth trade —apart from the United Kingdom.

The Common Market for Canada is very attractive, therefore, since it will provide eventually a lower tariff mean—as the Common Market treaty intends—and Canada, therefore, stands to gain in her export relations with the Common Market countries over the years. This might or might not be the case if the U.K. were to be successful with her Free Trade Area proposals since each state would retain its tariff against the world—except for the single tariff of Common Market states —while strict regulations would guide the movement of goods imported into low tariff F.T.A. states to prevent possible flooding through the lowest tariff gate.

On the other hand it is perfectly possible to visualize a situation in which a lower general European mean tariff, including agriculture—if F.T.A. moved in that direction—might provide a greater net benefit to Canada trading with the entire Free Trade Area than is derived from the gains deriving today from Commonwealth preferences if these preferences for agricultural commodities stood in the way finally of the Free Trade Area concept.

At least two ironies are emerging. A Conservative Government traditionally if not actually more tariff minded than the Liberals, finds itself presented with a free trade offer from the Commonwealth mother to which it is devoted but whose offer cannot now be accepted. No Canadian government could face the prospect of explaining to high cost Canadian labor and management in many manufacturing areas the long term economic benefits of free trade in the face of so much short run dislocation. To that extent the six Common Market members in Europe have learned more from the past than we have—but their experience has been harsher and their need for a larger operating economic unit is more clearly realized than is our own. And the same Conservative administration may discover in the mathematics of the potential Free Trade Area a more interesting Canadian economic trading future in Britain and Europe than is afforded by the traditional preferential arrangements enjoyed today.

We are witnessing now and later shall discover even more, the conflicting economic, commercial and political considerations that are inescapable if there is to be any serious attempt to implement Mr. Diefenbaker's modest hopes to say nothing of Mr. Thorneycroft's more ambitious and frightening offer. The following questions, for example, come to mind:

1. Is not the root cause of Mr. Diefenbaker's aims the liquidation of our wheat surplus and a reduction in our reliance upon U.S. capital? And if so, is there any real prospect that the wheat economy of the West can be stabilized by larger sales to the U.K. which already takes from Canada almost as much wheat as she can considering Britain's other traditional sources? As for U.S. capital it is likely that British and European investors will find Canada increasingly attractive; but considering the magnitudes required and the at-hand capital of the United States and considering, too, our kindred technical and commercial interests, there surely is little likelihood of a serious displacement of U.S. investment by Britain or Europe. Of course, future U.S. investment might be regulated by law but such a policy would raise political and constitutional difficulties not easily resolved.

2. The specific encouragement to U.K. exporters to cultivate the Canadian market must take into account on the one hand our growing secondary industries and on the other, the competition of U.S. style, production methods and ready servicing facilities. All of these have a distinct appeal for the Canadian buyer for obvious cultural and commercial reasons. Can the British manufacturer of textiles, automobiles, heavy machinery, electrical appliances and hydro and similar power installations, etc. meet this competition from the U.S. or indeed often inside Canada itself? And most significant will any Canadian government be able politically to sell tariff concessions whenever Canadian industries are directly concerned even though ironically many of these industries may be U.S. owned or controlled?

3. Does not Mr. Thorneycroft's Free Trade offer, linked indirectly as it must be with Britain's F.T.A. scheme, have serious difficulties for Canada to consider? It would link us indirectly with F.T.A. countries and here practically all of the O.E.E.C. member states represent much lower cost economies in complex manufactured goods than our own. It can be argued that this difficulty applies also among many of the O.E.E.C. countries themselves, e.g. Italy, the U.K. and Sweden. But proximity and institutional arrangements may modify the impact on European states through loans, subsidies and encouragement towards capital and labor mobility while such techniques as between Canada and the U.K. could not be as readily worked out.

4. Is not the destiny of the Canadian economy so linked with that of the United States that though we should try to maximize our trade everywhere, should not the next stage in creative Canadian thinking be towards methods to develop better the common resources of North America in a fair partnership with the U.S.?

Editorials

Trade Dilemma

THE CONSERVATIVE Government has learnt early in its young life that, no matter what pious hopes and good intentions may be expressed, both the United States and Britain have only the purest selfish interest in Canada as a trading nation.

First came the shock of the bland British proposal for free trade between Canada and the United Kingdom — as cynical and stupid a suggestion as any Imperial Sahib ever tossed to an ignorant and illiterate bunch of hungry colonials. Canada's raw materials, of course, would continue to move to the U.K. pretty much as they have in the past, while British manufactured goods would flow into Canada at a considerable advantage—enough probably to force an appreciable reduction in several Canadian secondary industries.

Then there was the meeting of the Canada-United States Cabinet Committee on Trade and Economic Questions in Washington. Once again Canada's representatives objected to the atrocious American program of dumping grain and engineering fantastic credit deals. And once again the Americans told the Canadians to be nice quiet neighbors and go peddle their own wheat as best they could.

The fact is, of course, that the Americans are not going to do a thing to help Canada climb out of the trading hole dug for us by the former trade minister, C.D. Howe. The British—and who can blame them?—are going to co-operate with us only if it helps them out of *their* difficulties, which are considerable.

As for a massive effort to switch more Canadian trade from the United States to Britain, it can become effective only if the Government imposes regulations that will force a change in Canadian purchasing. And this it must hesitate to do; it could be dangerously disruptive, since so much of Canadian industrial activity is geared to American equipment and method.

Even so, Canada has little choice. There must be a reduction of our dependence on U.S. trade and trading policies, and this can be brought about only by more trade with other nations—in particular, with the United Kingdom. Some authorities, notably James S. Duncan, chairman of the Ontario Hydro Commission, have suggested that this can be accomplished by a voluntary effort on the part of all Canadians, from housewives to industrialists, to switch at least part of their buying to British products. There have been similar appeals in the past, but the housewives and the industrialists seemed singularly unmoved. They may be more responsive this time, but we doubt it. It will take more than appeals. The Government must decide if it is worthwhile to add some punch to the appeals.

Goodbye Little Sputnik

THE RUSSIANS call their space satellite Sputnik One, a delicious mouthful of a word. Little Sputnik beeps forlornly as it whirls its lonely way around a bemused earth; surely nothing with so delightful a name and so piteous a voice could be menacing.

Little Sputnik is not itself a menace, of course. But it's a pretty menacing symbol of the great switch that has taken place in world power. Its launching was the clincher to the argument that Russian military science had caught up to and passed that of the United States, the erstwhile leader and most powerful of the free nations.

It took a tremendous kick to boot Sputnik into its orbit—which means that the Russians were not just beating their gums when they announced that they had tested an inter-continental ballistics missile. It confirms their leadership in the rocket field, just as their recent demonstrations of military aircraft demonstrated their advanced jet technology.

Now all this may not mean disaster, not if the Russian achievement is kept in perspective and is examined coolly in relation to what the democracies have done and can do.

It is true that the incredible fumbling of the Eisenhower administration has virtually destroyed the position of leadership won by the United States when Truman was President. The weakness of Eisenhower and the ineptitude of Dulles have combined to give the initiative to the Communists in almost all fields, from missiles to the Middle East. But the solid and the intellectual failures of the West cannot be blamed on Eisenhower and his colleagues. These men are the products, not the producers, of the errors of our times.

In its simplest terms, Sputnik is the symbol not so much of Russian scientific superiority as of the failure of American —and Canadian—education. We went soft in our schoolrooms, and we're beginning to pay for it.

We took discipline out of learning and turned our children over to fumbling theorists. The Russians tried that, too—for a while. They imported the ideas of Dewey and tried them out. And they got the same horrible results. The difference was that they did not keep playing around with a theory that produced nothing but well-adjusted illiterates. They went back to "conservative" methods; it was "learn or get out" and they paced their classes to the best students, not the worst. More than that, they did not put a price tag on scholastic advancement but gave prestige and pay to intellectual achievement. It was not Communist doctrine that made them change, but common sense. In this case, it is we, not the Russians, who are stubbornly wedded to a discredited and dangerous doctrine. And until we change, the Russians are going to continue to outstrip us in the production of scientists and technicians—and quite possibly, as time goes on, in the production of fine minds trained in the humanities.

Muddles In Secret

PRIME MINISTER Diefenbaker has suggested that Canada, along with other North Atlantic nations, should devote more defence budget money to research and development (an obvious and inevitable proposal following recent Russian scientific successes) and that such increased spending on research might well be controlled through NATO. The second half of the suggestion is absurd.

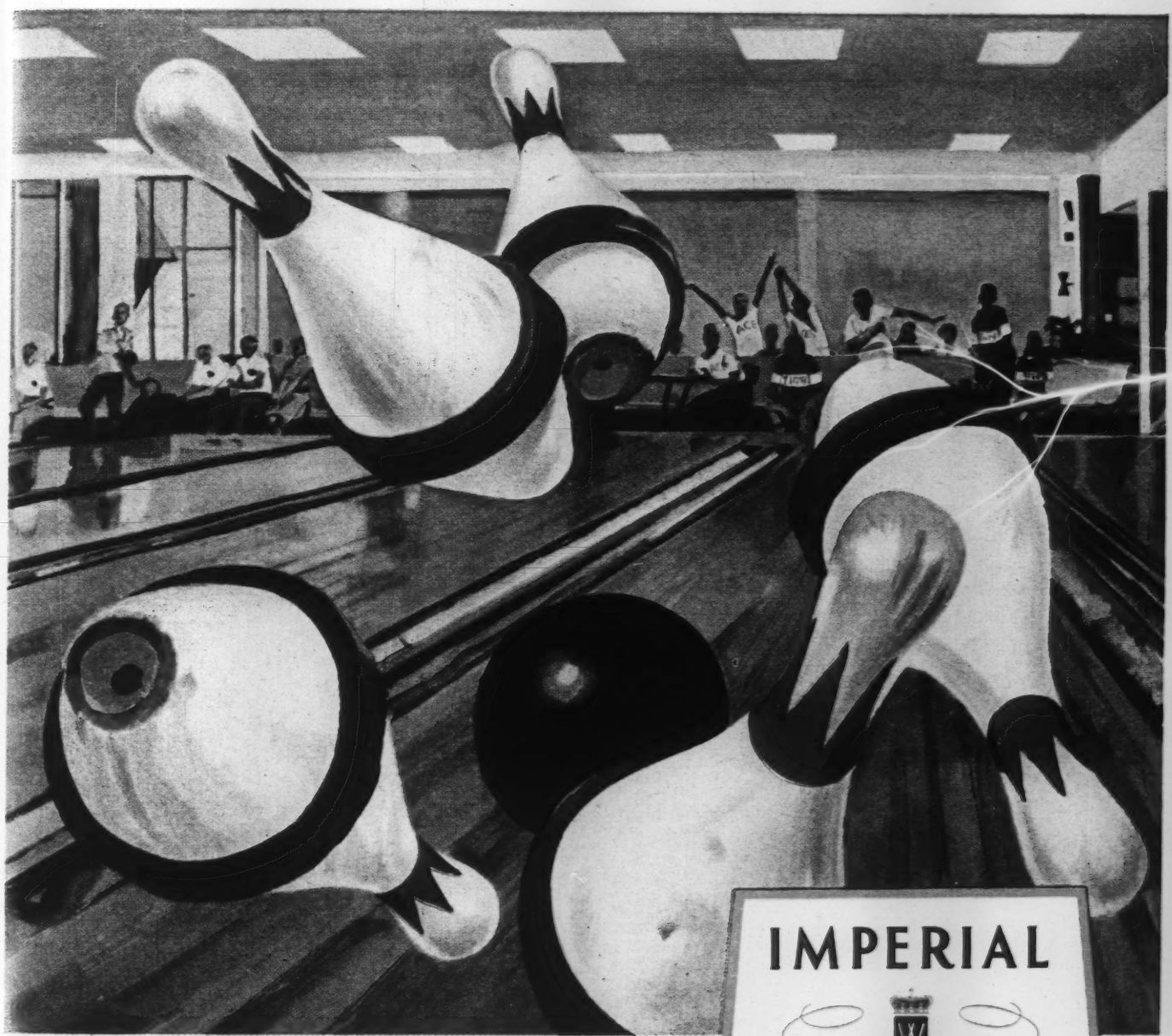
Mr. Diefenbaker should surely know by this time that the American passion for secrecy, amounting to a phobia in both Congress and the Pentagon, makes co-operative research of the kind he suggests almost certainly an impossibility. He has only to consider the reluctance of the U.S. to share information about nuclear fission with Canada and Britain, even after the Russians had exploded their H-bombs, to realize that a co-operative effort would be strangled if entrusted to an organization such as NATO largely military and largely dominated by the United States.

Let there be research, and let there be co-operation, but by some different means.

ANSWER TO PUZZLER

Joe's no., 28; others, 3, 5, 773 and 787.

TIME FOR AN IMPERIAL TOAST



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